

LEGISLATIVE ASSEMBLY OF ALBERTA

Tuesday Evening, March 20, 1973

[Mr. Speaker resumed the Chair at 8:00 o'clock.]

GOVERNMENT BILLS AND ORDERS
(Second Reading)

Bill No. 2 The Appropriation (Interim Supply) Act, 1973

MR. MINIELY:

Mr. Speaker, I move, seconded by the hon. Attorney General, that Bill No. 2 The Appropriation (Interim Supply) Act, 1973, be now read a second time.

[Leave being granted, Bill No. 2 was read a second time.]

MR. HYNDMAN:

Mr. Speaker, I move that you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to consider Bill No. 2 The Appropriation (Interim Supply) Act, 1973.

[The motion was carried.]

[Mr. Speaker left the Chair.]

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COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair]

Bill No. 2 The Appropriation (Interim Supply) Act, 1973

MR. DIACHUK:

The Committee of the Whole Assembly will now come to order. Bill No. 2 The Appropriation (Interim Supply) Act, 1973.

[Section 1 (a), (b) and Section 2 were agreed to.]

DR. BUCK:

Mr. Chairman, just on a point of interest to ask the Provincial Treasurer. Why do you have just certain departments for an interim supply, why not every department? Just for a point of interest.

MR. MINIELY:

Mr. Chairman, this is very established tradition in terms of interim supply bills, that has been established by acts under The Financial Administration Act and acts of this Legislature. So it's established precedent, and I haven't, to be very honest with you, found it necessary to change that. The reasons for it I am not fully aware of. But as you will see, certain departments and certain appropriations are one-fourth of the estimates, other departments one-half.

Now part of it is related to traditional expenditure of funds in the appropriation. In particular you will notice that one that is quite striking is the social allowance area. It's related to the time of payments, but the timing of payments that's existed for several years. We haven't altered that, we are just following a tradition.

[Section 3, the title and preamble were agreed to.]

MR. MINIELY:

Mr. Chairman, I move the bill be reported.

[The motion was carried.]

MR. HYNDMAN:

Mr. Chairman, I move the committee rise, report progress, and beg leave to sit again.

[The motion was carried.]

[Mr. Diachuk left the Chair.]

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[Mr. Speaker in the Chair]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bill: Bill No. 2 The Appropriation (Interim Supply) Act, 1973 and begs leave to sit again.

MR. SPEAKER:

Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS:

Agreed.

[Mr. Speaker left the Chair.]

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COMMITTEE OF SUPPLY

[Mr. Diachuk in the Chair]

MR. CHAIRMAN:

The Committee of Supply will now come to order.

MR. COOPER:

Mr. Chairman, it is a real pleasure this evening, and an honour, to have the first opportunity to move in to the Committee of Supply a resolution of this type. I, as Chairman of Subcommittee B, have had under consideration vote 1111, Estimates of Expenditure for the Department of Agriculture, and beg to report the same.

I therefore move, seconded by the hon. Minister of Agriculture, that a sum not

exceeding \$27,148,544 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Department of Agriculture.

MR. CHAIRMAN:

The question has been called.

MR. STROM:

I'm not sure I understand the procedure that will be followed, and I thought maybe it might be well to raise it right at the beginning. I note that the motion to agree to the amount of money required has now been placed. This places us in a position where we are moving the motion prior to having any further discussion on any appropriations. My concern would be this: if we proceed to debate this particular resolution, will we then be in a position of raising any items on individual appropriations?

Also, I am wondering -- and this relates back to our committee study -- in the subcommittee it is agreed that we would not have the Minister of Agriculture proceed with a general outline of his department. I, for one, had thought that possibly this might follow in the debate we would have in the Committee of Supply, where the minister would follow through with an explanation as he has given under the past procedures; then maybe we would follow it from there with discussions on individual estimates or appropriations, or maybe just general statements we might want to make on the department. I'm just wondering if I am right in my assumption that this would be the procedure we would follow?

DR. HORNER:

It certainly was my understanding, Mr. Chairman, that we could have a wide-ranging debate or otherwise, depending on the approach of the individual members. There certainly would be no preclusion from discussing any individual vote or, for that matter, having a general debate in regard to the policy. As far as my own approach is concerned, I felt that having made a major speech in the Legislature already this year in regard to the general direction of the department, and having dealt with it in some detail through the subcommittee, I would await the reaction of the hon. members and would respond accordingly.

SOME HON. MEMBERS:

Agreed.

MR. CHAIRMAN:

No further questions?

MR. R. SPEAKER:

Mr. Chairman, yes. I would like to discuss Appropriation No. 1111 for just a moment or two.

MR. CHAIRMAN:

Please, go ahead.

MR. R. SPEAKER:

In the discussion, Mr. Chairman, may we ask questions and discuss it back and forth?

MR. CHAIRMAN:

This is my understanding, yes.

MR. R. SPEAKER:

I wonder if I could ask the Minister of the Environment -- I wasn't in the committee -- just to comment on the agreement presently with -- yes, but the Minister of the Environment is responsible for part of this, I understand -- the agreement with Ottawa, the present irrigation rehabilitation agreement -- just the state of it, and then we can go from there.

DR. HORNER:

Well, as I said in the subcommittee on Estimates the arrangement that we have between myself and my colleague, the Minister of the Environment, is that the Environment looks after the headwaters, or brings the water to the irrigation district. Once it reaches the irrigation district then my irrigation people take over in the provision of some technical services and the provision of extension to irrigation agriculture. Insofar as the situation with regard to the rehabilitation agreement, our understanding is that it is close to finalization. We were ready to finalize a year ago. We are hoping in fact we can, so we can get on this year with a start in the rehabilitation. You will note that in vote 1111 there is a doubling in the grants to the irrigation district in that area, and that is our contribution to the rehabilitation.

MR. R. SPEAKER:

Prior to having an agreement signed, has the minister or persons from the department had a number of consultations with the advisory committee of the east block of Bow River development -- that is, number 1 and number 2 -- has there been consultation with the irrigation projects associations?

DR. HORNER:

Well, there have been consultations, certainly, with the irrigation projects association in a number of ways. We have asked them and I think they are doing a good job to have a look at their own situation and then to come back to us with ideas on how it could be better operated and how the entire area could be rationalized so that we can provide the services in a more effective way. Our consultation with the individuals in the Bow River east block have been on an individual basis and haven't been completed as yet. We would expect to have consultation in there with our irrigation people -- with our Irrigation Secretariat as a matter of fact -- on a farmer-to-farmer basis. Some of that has taken place and is ongoing now.

MR. R. SPEAKER:

Prior to the official signing of this agreement by the federal government, will the minister or officials meet with the advisory committee so they have some input?

DR. HORNER:

Yes.

MR. R. SPEAKER:

Why in this point of time hasn't it been done up to this point? What's the reason?

DR. HORNER:

Well, who are you talking about when you're talking about the advisory committee?

MR. R. SPEAKER:

The advisory committee for the east block, Bow River development.

DR. HORNER:

I consider them part of the entire irrigation proposition in southern Alberta and we did meet with some of them at the irrigation project association meeting. As I have said, because it is an individual contract that they have with the federal government, we felt that we had to contact every one of them and we are in the process of doing this.

MR. R. SPEAKER:

Was there any consideration in the agreement with Ottawa as to a separate agreement -- and when I ask this, a separate agreement, one for the Bow River development and one for the other projects -- one, because they relate to different jurisdictions at the present time and I see more responsibility in one jurisdiction in the province and more responsibility for the federal government in the other. That's part of the question.

Secondly, has the delay in the agreement been caused by the present relationship of the east block?

DR. HORNER:

I am aware that the delay in the agreement is not related to the east block question at all but rather to the ability of the federal government to reach a decision in that area, in the total area of irrigation rehabilitation. The question with regard to the east block has been a very major component of the negotiation. We expect that we can exchange their present contract with Ottawa with a response through our Agricultural Development Corporation on a special basis for them.

MR. STROM:

Mr. Chairman, in the negotiations that have been going on up to the present time, I have the distinct understanding that there has been no direct consultation with the east block as such -- and I think the hon. minister has suggested discussions with individual farmers. My hon. colleague for Little Bow has raised the question of whether or not there has been any discussion with the advisory committee. And again I am under the distinct impression that up to this point there have not been any discussions with the advisory committee as such, except as they form a part of the irrigation project association. I think it is pretty important we understand the relationship that the east block has as far as the irrigation projects association is concerned.

I think it is fair to say that the projects association has really no direct concern as to whether or not the east block is able to continue its present agreement with the federal government. As a matter of fact, I would go further, Mr. Chairman, and say that at the present time the very fact that the federal government is insisting the east block be part of the overall arrangement is placing a pressure from the projects association to get that matter settled some way, so that they can get on with the job.

And what my hon. colleague is suggesting is that really what we are looking at is an individual agreement and when I say individual I am talking about an individual irrigation project between that particular irrigation district and the federal government. I would have to say, and I think all hon. members would agree, it is a most favourable agreement to the irrigation farmers. And as such, I think I am correct, Mr. Chairman, in suggesting that the federal government has been anxious for a long time to get out of it. It is my view, and I think, Mr. Chairman and hon. minister, I am being reasonable in this, that it is not the responsibility of the provincial government to take the federal government off the hook on their agreement with the east block. What I am fearful of, and I raised this in the committee as the hon. ministers will know, is that if the provincial government proceeds to finalize an agreement with the federal government in total, without giving the east block an opportunity to express their views on it, they will in fact, I think, be committing a very grave error by bringing themselves to the position where they have forced the irrigation district to accept something less.

Now I realize the hon. Minister of Agriculture I believe, suggested in the committee that the provincial government might be able to give them a better deal under the new arrangement. And I really don't argue it as being a possibility, but I am suggesting in the strongest terms possible, that this should be a decision the irrigation farmers of the east block should be making, rather than the provincial government as to whether or not it is a better deal. And I suggest that what we ought to be making the federal government do, is to come to an agreement with the east block separately, rather than trying to force them into a unilateral agreement that involves another irrigation district.

Now I want to make it very clear, Mr. Chairman that, as far as I am concerned, I have no axe to grind. I think, in the interest of my irrigation farmers in my particular area, I could very well sit back here -- if it wasn't that I know some of the history -- and say to the provincial government that I want you to go ahead because I know that then my farmers are going to get a deal on rehabilitation and get it much faster. But I am convinced in my own mind that is the wrong approach, that we would be doing a disservice to another irrigation district which by some means or other has a very favourable agreement. I don't think that it should be the provincial government that takes that away from them.

And this, Mr. Chairman, is my concern. I am sure the hon. ministers who are directly involved recognize that, and I would certainly want to hear some statement from them as to how they feel about forcing the federal government to come to terms with that particular district because I think this is the key.

DR. HORNER:

I can only add to what I have said. The negotiations are continuing and we hope they will be finalized. We have said that we will take the responsibility in relation to the east block under certain conditions. If we get those conditions then we will be able to discuss the matter with the farmers that are involved in that east block.

I have no doubt at all in mind that we can give them a better arrangement than they now have.

MR. STROM:

Mr. Chairman, may I make one more point and rather than making a statement ask a question. Does the hon. Minister of Agriculture agree that it is the responsibility of the federal government to come to some agreement with the east block in regard to their agreement that is, in fact, providing a special rate for perpetuity for that particular district?

DR. HORNER:

Mr. Chairman, we are already about three years behind in getting started on a rehabilitation program in the irrigation area. We have already had three years of discussions in relation to the entire problem. We are very close to finalizing an agreement that will, we think, settle the situation.

We appreciate the position of the farmers in the east block and will take the responsibility, as I think the government should, of looking after their interests. I don't think we can go further than that until such time as the agreement is finalized and we can go to those farmers with something they can talk about. Because until we reach that agreement then we will just keep on talking and it will be another three years before we start irrigation rehabilitation.

MR. R. SPEAKER:

Mr. Chairman, certainly all of us want to hasten the agreement and get the money into the hands of the projects that need to rehabilitate. Because the various members of the projects association certainly have some big problems on their hands at the present time.

I feel very strong and so do the people of the advisory committee. Just a few days ago they had their annual meeting and discussed this particular topic. There was a man from the federal government there but he couldn't tell them anything. He didn't have any new information to relate to these people. They haven't heard anything from the provincial government -- nothing as an advisory committee. They are concerned about what is happening. When I mentioned to them that there is an agreement that is about to be signed, they said, "Why haven't we been consulted? What is in it? What is going to happen to us?" They said that if this is the route that it is going to go -- they are very upset about it at this present time.

I feel it is obligatory when all of those people in that east block are being affected that they should have some say in those negotiations, or some say about the agreement or input at this particular time.

If the agreement, as the minister has said, is better than they have now I think there are going to be a lot of bouquets in it for the government, and certainly that is to your credit and I appreciate it; as the representative I will give you all the bouquets for the work that is done. But if the agreement is not as good, and the assurances on a long-term basis are not as good then certainly you can live with the lumps. And I will help to pass a few of those along the same way.

But my concern also goes along that all through these negotiations I, as the member or representative of the area, have attempted to get some information, but negotiations have continually been under sort of a cloak of secrecy and on a basis of, "Well, we know what is going to be best for those people and when we make an agreement with the federal government we will give them whatever we feel is right at that time."

And really I don't see why we couldn't be open, or more open, to those people in these discussions. If the east block is the holdup and the concern then I would suggest that possibly there should be two agreements so that for the projects that relate to the provincial government we get on with the process of rehabilitation. After that then look at this problem of taking the federal government off the hook in being responsible for the project.

I have said ever since the beginning -- back two or three years ago -- when these negotiations started, that the agreement in the east block is first of all between the federal government and the people, and they should make some statement or break the agreement. But here we have the province stepping in, taking over the responsibility without any real involvement or interaction of these local people.

And, what that means, is that when the agreement is signed, and the federal government signs an agreement, they are cut adrift, and they really don't belong

anywhere. The only home they can come to to negotiate with is the provincial government. They at that point in time are at the mercy of the provincial government. If the handouts from here are adequate and acceptable that will be their point of negotiation - if they are not, that is what they get, too. I really don't think that the process that has taken place or the way that it is being handled is fair to them at this point in time.

One, because they haven't been consulted, and two, there is concern because they are the delay in the agreement, and it is affecting the rehabilitation in the other areas. I suggest that to solve that, we should look at maybe a two-phase type of agreement.

MR. STROM:

Mr. Chairman, I would like to ask a question: is it the intention of the province to give the east block water at a dollar and-a-half an acre as the present agreement is providing it for them?

DR. HORNER:

No decision has been reached on that, Mr. Chairman.

MR. STROM:

Mr. Chairman, then is it the government's intention to possibly break that agreement? Or, let me put it another way. If you are taking over the responsibilities of the federal government, are you then saying to the federal government, that the agreement that they had will not be honoured by the province?

DR. HORNER:

That is all part of the negotiations, Mr. Chairman, and will be solved when we sign the agreement.

MR. STROM:

Negotiations with whom, Mr. Chairman?

DR. HORNER:

With the federal government.

MR. MANDEVILLE:

Mr. Chairman, there was one question that I would like to pose. When this agreement is signed and when it is finalized, there is going to be a lot of money needed to rehabilitate the irrigation districts within the province, I understand about \$90 million. Have you a formula or method of determining the priorities? I was thinking for example, capital works on the Bow River, for example, Bassano Dam. Now, to rehabilitate the Bassano Dam would be between \$4 and \$5 millions and it is pretty hard to set it up in phases. It is going to have to be one phase. I was just wondering, how are you going to establish priorities in the irrigation of capital works?

DR. HORNER:

The priorities insofar as the capital works - some of them will be spelt out in the agreement. Others will be the responsibility in the major headwater works of the Department of the Environment.

But, you know, I find it rather interesting that the hon. Member for Little Bow and the hon. Member for Cypress, who spent two years negotiating with the federal government, are now saying that we should talk some more. How much consultation did they have? They know the reason that they didn't sign the agreement. It was offered to them before. We are going to be signing a substantially better agreement. I find it rather interesting that all of a sudden they can find this kind of discussion useful when in fact, they were part of the negotiating team and at that time didn't make any of those negotiations public either.

MR. R. SPEAKER:

Mr. Minister, in your consideration with the east block, will you consider providing for them a lump sum of money to continue some of their projects and to continue their operations?

DR. HORNER:

That is one of the considerations that will be looked after in the east block insofar as their rehabilitation is concerned. The question of the adequate provision of water to that east block - those are the kinds of things that have to be considered in relation to any agreement that we sign.

MR. R. SPEAKER:

Would it be the intention of the government to bring about the same type of ground rules of administration for the east block as all the other projects in the province?

DR. HORNER:

That is our ultimate objective and it may have to be done over a period of years, but it seems to me that if we are going to have fairness and rationalization of services to provide to the various irrigation districts in southern Alberta that we had better have some common denominator for them in relation to services and in relation to rehabilitation.

MR. HINMAN:

Mr. Minister, I wanted to refer to vote 1112. I wanted to know what provision is made under this to assist farmers.

MR. CHAIRMAN:

Mr. Hinman, what vote is that?

MR. HINMAN:

Vote 1112. I was just wondering what provision is made to assist individual farmers along our streams who have water agreements with the department by way of capital works? What I am referring to is that we're all aware that the government has put a great amount of money into our irrigation projects, and along our streams the farmers are becoming very conscious of the adaptability of a lot of this land to sprinkler irrigation.

I wonder if, under vote 1112, this year or some other year there will be any provision to give some of these farmers some assistance with the capital works which your engineers recommend?

DR. HORNER:

Yes, I would think so, and I would point out that we are still in the process of putting our technical people together under a director. I would hope that we would look at all manner of irrigation and that we wouldn't be married to the older style, strictly gravity, but would look at sprinklers and some of the other newer methods that are coming along. It may well pay us to have some input into some of these newer methods over the longer term rather than spend a lot of money that we could spend on an individual basis that would take up the slack for the total.

MR. HINMAN:

One other question. In vote 1103, does the Kinsella livestock breeding, the cattle breeding research, come under that vote?

DR. HORNER:

Yes.

MR. HINMAN:

Are we going to get any kind of a report from them on the progress they are making?

DR. HORNER:

Yes, we have asked them for a report in relation to that -- they do have a field day annually and make some reports -- and I'll see that the hon. member gets the last one which was last June. It usually comes out in June at the time of their field day. They report on their activities for the past year, particularly in relation to the cross-breeding program, the use of range, and a

couple of other programs they have going underneath both this vote and some grants from the Horned Cattle Trust Fund.

MR. HINMAN:

I wonder, Mr. Minister, if we could get notice from them when this field day is, because last year I got it after it was over.

DR. HORNER:

I will see that you get an invitation.

MR. TAYLOR:

Mr. Chairman, is that still on a dollar-for-dollar basis?

DR. HORNER:

Yes.

MR. FRENCH:

Mr. Chairman, I'd like to ask a question under vote 1122, Field Crops. I note that there is provision here for an ARDA program for range management. I'm wondering, will some arrangement for the purchase of grass seed be included under this program this year?

DR. HORNER:

Well, there are ten different programs under the new ARDA arrangements. Insofar as forage is concerned itself, there is a Forage Improvement Program that works through the ag service boards, or in your particular area would work through special areas. There is a Range Improvement Program on public land that is under the direction of my colleague in Lands and Forests. There is a Range Improvement Program that again, will be at least partially through the ag service boards of the various areas and will relate to private or patented land.

The amount of money that is involved in that particular area is not as much as we would like, and we're looking at ways in which we can stretch it. We hope to have some answers on that if the federal government will agree to it.

I might also say that Mr. Jamison has announced that we have announced the general overall program. The next step is to sign the individual ARDA agreements, and we are in the process of doing that now.

MR. FRENCH:

I'm very interested, Mr. Chairman, in this vote because it seems to me that for a few years the federal government withdrew from the ARDA program, and I'm very pleased to see they are going back into it again now.

Now as I understand the information, the applications will go through the service board? Or will they go through the DA office? And I also understand the maximum assistance has not been determined then to the individual.

I just have one other question, Mr. Chairman. I am wondering what steps the government will be taking to contract for seed grain to protect the price in the event of getting into some new programs so that the price won't escalate to get far beyond the reach of the average person attempting to buy the seed. Is any effort being made?

DR. HORNER:

At the moment, our consideration in regard to the entire improvement forage program we is to have a look at the provision of seed, not only in relation to this, but in relation to a number of alfalfa dehy plants that are going to come on-stream, for which a substantial amount of seed is going to be required. This ties in also with the question of making sure that in certain areas seed grain is going to be available. All of these things are under consideration right now.

MR. FRENCH:

Just for clarification, I think maybe I didn't make myself too clear. I was thinking of forage grasses. If you institute a program, since forage grass is available from very limited sources, there could be a tendency on the part of

the suppliers to maybe escalate the prices, if they think there is going to be a large demand. I was hoping the department would be able to take some positive steps to make sure this seed is going to be available at the proper price to the individual.

DR. HORNER:

We continue to oversee that. There is a danger the other way, too. If the forage seed companies know government is going to be buying, the price automatically goes up. So I think it has to be handled with some care.

MR. STROM:

Mr. Chairman, I wasn't finished on 1111 -- particularly after the statement that the hon. minister made. He suggested that we spent a couple of years trying to negotiate it and hadn't got anywhere. And, of course, he was up to his usual tricks, just trying to make a general statement and then lay the thing under the table and we wouldn't discuss it any more. I want to say that I am not prepared to let it rest that quickly. I would like to remind the hon. minister of a few things, including some of the things he himself said.

I recall very well, that shortly after taking power, the hon. minister suggested that we, of course, hadn't been able to get anywhere, and that in just a matter of months they were going to have it settled. I see they have been going quite a little time, and still haven't got it settled. The quick settlement he had been hoping for, or suggested they were going to get, has not been forthcoming.

I want to point out again that we had come a long way as far as irrigation rehabilitation was concerned in our discussions with the federal government. I happen to know some of the problems involved in our discussions with the federal government.

First of all, trying to set up a study that would make the federal government a part of the study itself. After considerable discussion on that, we were able to get them to enter into an agreement to proceed with the study. The study was completed, the report presented, and at that time, the federal government was afraid to proceed to deal with a report of which they themselves had been a part. We spent considerable time pointing out to them that they had been consulted from time to time in the study itself and that for that reason they were not being led up a blind alley, but that they knew exactly what it was they were getting into.

One of the points of concern they mentioned to us was the fact that they did not want to enter into long-term agreements. They wanted to bring it down to a term that would be more acceptable to them and they finally arrived at an agreement on a 10-year rather than long-term basis, which I say is maybe all right. And that was part of the discussions we had with them, and part of a unit we arrived at. Following that, we dealt with the particular problem we have brought to the attention of the government tonight.

And, I would just like to say to the hon. minister, we believe there is such a thing as principle that a man has to stand on. And there is such a thing as recognizing what is right in it. I would just hope that the government when they deal with it, will keep some of those same points in mind and not just quickly slough it off by saying, "Oh well, we're going to provide a better deal for them."

I think those people would like to know what the better deal is. They have an excellent deal at this time, and they are entitled to know what the provincial government is going to take away from them. I'm not expecting the minister to give an answer, because apparently he has decided that all he needs to do tonight is shrug it off and to leave the word with us: they are going to continue to negotiate; don't worry about the fellows down in the east block, they will come out all right.

Mr. Chairman, that isn't good enough for us, but I realize we are wasting our time discussing it any longer. I certainly don't want the minister to stand in his place and suggest that we spent two years with cap in hand trying to make a deal with the federal government. We did not. We certainly dealt with some points of principle, we dealt with the study itself, and got them to be a part of it, and I think that we've come a long way. We hope that the new government will come a long way in their negotiations with them and will be able to bring it to a satisfactory conclusion.

MR. CHAIRMAN:

Mr. Notley. Oh, just one moment please. Mr. Henderson has asked for the concurrence of the House to introduce some guests. Is that agreed?

HON. MEMBERS:

Agreed.

INTRODUCTION OF VISITORS (CONT.)

MR. HENDERSON:

Mr. Chairman, maybe I should preface my introduction by saying we had an occasion earlier in the year where one of the ministers seated opposite got up to introduce a class and they weren't there. Well, I'm aware of the fact that the class that is supposed to be here isn't here, but I don't think it should deprive me of the privilege of introducing the Elementary Advisory Council from the Thorsby School, who were supposed to have a class of students with them. I'd like them to stand and be recognized, Mr. Herb Knopp, Mrs. Helen MacRae, Mr. and Mrs. Ernie Sehn. Thank you.

COMMITTEE OF SUPPLY (CONT.)

MR. NOTLEY:

Mr. Chairman, I wonder if we might move from an agreement that is still being negotiated to an agreement that has been signed -- The Alberta-Canada Small Farms Development Agreement -- which is referred to in Appropriation No. 1169. Mr. Chairman, there are some questions I would like to pose to the minister. First of all, how much money will the federal government be making available to the province under this agreement in 1973?

DR. HORNER:

There is no fixed amount for 1973. The understanding through the program is that they were going to make available \$15 million in the next 5 years across Canada in relation to the small farms program, through the Farm Credit Corporation. But there is no limit in 1973 in relation to how much they could make available in Alberta.

MR. NOTLEY:

Is any portion of that money allocated to the provinces, or is it a general program?

DR. HORNER:

No, there is no allocation.

MR. NOTLEY:

Following that, it is my understanding that under this program the onus, Mr. Minister, is on the farmer, is it not, to find a buyer, and it is only in the case where a buyer can't be found that the government moves in?

DR. HORNER:

Yes. Or alternatively, if it is a marginal land that might better be put to other use, other than agriculture, then the farm consolidation program can be put into effect -- the AFDA program can come in as a buyer -- and the vendor still receives it.

MR. NOTLEY:

The question I am interested in is: is there any protection in this scheme for the smaller farmer who doesn't have the resources? Suppose a good piece of land comes up: in the normal bidding, or the normal market situation, the larger farmer who has better access to credit is going to be in a stronger position to purchase that land and add it to his land. What steps are there in the scheme to make it possible for the smaller operator, who has perhaps a quarter-section or half-section, to take over that land?

DR. HORNER:

I can make available the Farm Credit pamphlet to the hon. member. I don't know whether I have one in this pile of stuff here or not. But essentially, the thing that stops that is that once the land comes into the small farms agreement, it is only available to farmers with limited assets. The limit of assets in which he is eligible to buy that land is \$60,000. If he has more than that, he is not eligible to buy. Credit arrangements for the buyer favour the small fellow trying to expand, very substantially. The down payment is \$200 on the first \$20,000, and then 20 per cent on the next \$10,000, so that there are extremely good credit terms available to the smaller farmer, and as a matter of fact the land is restricted. In other words, the land can't be sold to the larger farmer and still get the vendor's grant for the seller.

MR. NOTLEY:

I see. And is that also true of the moving allowance -- is it a \$3,500 moving allowance which is made available?

DR. HORNER:

It's a vendor's grant which can be called a moving allowance or whatever you want to call it. But it's a vendor's grant of \$3,500 and there are some other facilities in there that in fact the retiring farmer can take out his home and so on. There is a very flexible arrangement in which he can either lease it for his lifetime or in fact he can get title to it and Farm Credit will allow this to be taken out of the mortgage.

MR. MANDEVILLE:

Mr. Chairman, I would like to go back to 1111 on the Irrigation Secretariat. There is one problem that faces irrigation districts and I don't really know whether it should be brought up with the Attorney General's department or your department, Mr. Minister, but it is in regard to land transfers, new titles.

At the present time the transfers go to the municipal districts in counties and municipalities and in irrigation districts, the irrigation boards don't get a copy of the transfers, the new titles. It does create a problem for irrigation districts where they are not aware that there has been a transfer. When they go to bill for their water rates they don't know who to bill. I was wondering, Mr. Minister, if this has been brought to your attention.

I know the Land Titles Office are working on this at the present time and hopefully there is going to be some new equipment in the Land Titles Office that will allow them to send these new titles to the irrigation districts.

DR. HORNER:

We are aware of the problem but it hasn't been specifically related to the Department of Agriculture, it has been more related to the Land Titles Office and how we can arrange that. But I would hope, once we fill the void of having an Irrigation Secretariat down there, and it will be headquartered in Lethbridge in the irrigation area, that we might be able to overcome that with some assistance from the Attorney General's department.

MR. R. SPEAKER:

A question to the Minister of Agriculture. Following our discussions earlier, can I advise my constituents in the east block of the Bow River development that the Minister of Agriculture, on behalf of the provincial government, has given tonight, a commitment to provide a better deal in their project than they presently enjoy?

DR. HORNER:

Mr. Chairman, the hon. member can advise his constituents that we will have discussions with each of them in relation to any agreement that we sign with Ottawa in regard to irrigation rehabilitation. We will make available all of the resources that the provincial department has to make sure that they are on a sound financial footing.

MR. R. SPEAKER:

Mr. Chairman, the minister didn't answer my question. Earlier he said we were going to get a better deal. Is he still saying that we will get a better deal than we presently enjoy? I would like a yes or no to that question.

DR. HORNER:

The hon. member can like whatever he wants. I have just told him what he can tell his constituents in relation to the position of the department and the government. We will sit down with each of the people in the Bow River federal irrigation district and discuss with them their problems and make available all the resources of the department so they are on a sound financial footing.

MR. R. SPEAKER:

Mr. Chairman, that's not good enough. Number one, the minister earlier said that he was going to make a better deal with them than they presently have. Now he is going back and forth and all over the place trying to get out of that statement that he made earlier. He forgot that he was sitting as the Minister of Agriculture. If that was his statement as legitimate then, it should be very easy at this point to say: "Yes, I still am of the same opinion, and I can provide the same commitment to these people and that consultation will take place." -- and I'm not sure whether the consultation he was talking about now is after he has signed the agreement or before. It seems like we're going all over the place.

DR. HORNER:

I know the hon. gentleman has a little bit of difficulty keeping up to things, and maybe that's his problem. I have said that we will see that the people in the Bow River east are looked after as well as they have been looked after. When they haven't had any looking after from the previous government, Mr. Chairman, that's a pretty substantial increase.

MR. R. SPEAKER:

Mr. Chairman, the minister is saying, "as well as they have been looked after." Is this as far as his commitment goes this evening? That's my question.

MR. BUCKWELL:

Mr. Chairman, on this same subject, we brought this matter up last in the fall session. We tried to get from the Minister of the Environment, the Minister of Agriculture, and the Minister of Intergovernmental Affairs, what is this deal that you have got with the federal government that you are pursuing on irrigation rehabilitation? And the argument then was, we can't tell you. This is hush, hush, we are at a very critical stage and you don't need to worry, you are going to be well taken care of.

When we came to this spring session we found out from the Minister of the Environment that what he had said last July was basically your position today. You have added about maybe \$2 million more than what you had last July. This is the negotiations but you say you couldn't tell us about them last fall.

Now we are in a position where the east block -- and you say well, the former government never took care of them, the former government didn't have to take care of them because they were taken care of then by the federal government. They had a better deal than any other irrigation district. So now you turn around and say well, you are not doing as well for them or you are going to do better for them than we did. Are you going to let them have water for \$1.25 now? This is what we are trying to find out. But when it comes down to it -- I am sorry, maybe Mr. Chairman, at this time I was going to make some remarks on the Department of Agriculture and we started out -- I would have to admit the hon. minister has some very high ideals and some very high goals. But as far as I can see it, it is he who has them and they are slowly filtering down through his department. But how they are going to get down to the farmer and how the farmer himself is going to react to it, I don't know. It is a 'wait and see' policy.

I was quite surprised when the hon. Member for Smoky River said the federal government told us to grow wheat and we grew rapeseed instead and cleaned up, so we don't have to pay any attention to them. Now we are being told by our department here that we are going to go out and find markets for you and we are going to do this and we are going to do that, all you have to do is just follow

Hughie and we will get to the Promised Land. I don't doubt we might get to the Promised Land, but it might not be the one that we are thinking of.

I am sorry, I am not like the others, I didn't have any clippings from the Barrhead Gazette or anything to read in your favour, sir. I will give you credit for what you are trying to do. But what we are concerned with at this particular time -- and I believe the hon. Member for Lloydminster the other day was waxing hot and eloquent and I agree with him. What a wonderful stock market they have out there in the Lloydminster area and others have mentioned the same thing. You didn't get all this high-quality cattle and all this high-quality grain in the last 18 months if it hadn't been here before. You are building on a pretty solid foundation. And it was only on January 30 of this year that we were talking to Mr. George Cheshire who was speaking to the Chamber of Commerce in Macleod. This is the first time in the history of his livestock experience that beef cattle and hogs hit the highest point on January 30. They both hit it together. It was the highest point in our history.

Now the minister talks about cost-price squeeze and I quite agree that we are just in -- the farm today -- for farmers are in an equally vulnerable position today as they were, say 10 years ago, as far as the cost-price squeeze. Because the cost-price squeeze today is just as real as it ever was and the minister the other day in a supplementary question -- and I don't disagree with him -- said that the net return to the farmers, while they maybe have slightly more cash than they have had before, but the overall net return from agriculture is no greater today than it was, say three or four years ago. In fact, in the years of '68-'69 we actually had a better return from our grain markets than --

AN HON. MEMBER:

You have got to be kidding.

MR. BUCKWELL:

-- well, just read the figures on it. You just have to go back in your statistics to prove you had a greater grain market up until this year. This is the highest year. Well, how you farmed may -- it doesn't say that everybody farms in the same way. You have only got to read your own government statistics and they show the year '68 - '69, you had a greater return up until this year. In the year 1970-71 it dropped down slightly.

But we are looking today -- the minister is talking about long-term solutions in the family farm. You want to save the family farm and we have still got down, forget the family farm connotation altogether and just call it, "We are going to save agriculture." And we found out the other day that the Hutterites took 7,000 acres of one person's estate and bought it and that was part of his family farm -- then let's forget we are talking about family farms. It is agriculture in general.

We are looking for the stabilization of prices and the fluctuation price, and I agree with the minister that if we can get markets -- and markets have been the downfall of agriculture in the last couple of years -- if we had a market for our grain, if we had a market for the things we could have produced, we wouldn't have been in the position that we were in until today.

We are talking about markets, and the hon. minister travelled down to South America and Mexico while others went to Japan and I don't know where else they have been. I don't think you have to travel around. You can sit and watch your television to know there are hungry people all over the world and there are markets for our produce. But who is going to pay for it? We cannot be selling everything to these other countries unless they are going to take something in return and we are going to take something in return from them.

I wonder, Mr. Chairman, what effect our marketing program has on business, on the federal government and on the western provinces. We are talking today -- and the hon. minister has had this attitude ever since he came into the House and, as I mentioned last year, he should have been the federal Minister of Agriculture because he thinks so big -- we are talking today of agriculture in Alberta as if we were a separate part of the world. We are not really a province, we are the country of Alberta set within countries on either side of us. What is good for Alberta is surely good for western Canada.

I can't see us going out and getting a contract for 10 million pounds of pork and not having Saskatchewan and Manitoba breathing down our neck or cutting our price. This idea that we are going to solve our situation by finding our own markets, regardless of what the federal government does, regardless of what business does -- it has to get down to the farmer. The farmer has to be able to

produce these products in quantity and in quality so our markets can be assured. You cannot raise 10 million pounds of pork to sell to Japan today and then next year when they want 10 million pounds say, "Well, sorry we have only got nine." or "We can't supply you at all." This is a long-term market and I quite agree that the Minister of Agriculture has a job on his hands and the farmers have a job on their hands.

I don't say, Mr. Chairman, in fairness to the minister and what he is trying to do -- the hon. Minister of Federal and Intergovernmental Affairs, if we are going to have this 'wait and see' attitude on the part of the farmer or on the part of all the members of the Legislature, or on the part of all farm leaders or business men to say, "Well, let's see what the hon. minister can do, and if it doesn't work out then we'll condemn him." I think this is too important for all of us, but all of us must put our shoulder to the wheel and try to help out.

But I don't think we just have to follow Hughie because Hughie says, "Let's go."

AN HON. MEMBER:

We don't know where.

MR. BUCKWELL:

I'm disappointed, Mr. Chairman. There are things that others want to talk about, such as going more into marketing and agricultural development funds. For example, here is one we start right at the bottom -- this is the Future Farmers of Alberta. I have nothing against the program or the Future Farmers of Alberta, but there was no reason in the world why this could not have been stepped up to the 4-H movement.

The government in the past and the government today have done very little, really, for the 4-H movement. When you have a 4-H group that has to come to the Chamber of Commerce in a small town and asked them to sponsor a banquet or speakers or anything like this -- for a little group to have to do this and get so little help from the Department of Agriculture or the Department of Culture, Youth and Recreation. I'm not blaming the hon. Mr. Schmid, but I am saying we could have stepped this up for the Future Farmers of Alberta and the 4-H could have been made into a wonderful movement combined.

Here's a boy 12 years old -- from 12 to 18 he has the opportunity to borrow a maximum of \$3,700 in that period of time if he pays his loans, and it's not a bad idea. But when you have to list the assets of a 12-year-old boy -- he's got two wagons, he's got one skinny cat and a worn-out school bag. This is what his assets are. What are his debts? Well, he owes his sister three suckers because he stole them on Saturday.

Why does a boy of 12 have to go to the Department of Agriculture to start borrowing money? We are going to start teaching these kids of twelve years old to come to the Agricultural Development Fund to make a living? If he can't borrow \$50 from his dad, I say why should the Department of Agriculture bother with him at all? If the project that he takes up is not a success, you've put that kid off farming forever. If he has to borrow seed and puts in 15 acres, dad has to give him 15 acres. And if dad's short of cash, you know darn well where that seed is going to go. The idea that you couldn't get 4-H kids to teach them how to have assets, bookkeeping and what it's all about -- because many of these kids have made a success, and they are the kids who are going to stay on the farms. I have no objection to the future farmers of Alberta -- youngsters from the city, who have a favourite uncle in the country, who will let them feed a calf or raise pigs or something like this -- there is nothing wrong with that.

But it is the farm kids who are going to have to stay on the farm, because a boy who is 18, if he has lived on a farm all his life, -- has, since he first followed his father around -- a fund of knowledge that you cannot teach anybody over 20 years of age. It is part of his life. As soon as he looks at the stock, he knows instinctively whether they are healthy or not. And these are the sort of things that you cannot teach, and you are now going to teach just by lending them money.

And I suggest, Mr. Chairman, that the minister thinks, possibly because we have two future farmers on the pamphlet, that we cannot get back into the 4-H. Future farmers I believe is a good program -- but it should be combined with the 4-H to make it a dynamic youth group throughout the province. The 4-H were not only concerned with beef, but with dairy, field crops, swine, poultry, anything

you could name even saddle horses. They had a wonderful program and I think we are going to wreck that and put them strictly on a financial basis as far as the future farmers are concerned.

I would like, in closing, Mr. Chairman, again to mention this irrigation agreement. I have been with the irrigation district now for quite some time. When we first started, this cost-sharing agreement that Mr. Strom was talking about came into being - not because of me - I came into the irrigation district and the board around that time. When that study was completed, the work was going to cost \$60 million. Today, because of inflation, that work is going to cost \$90 million. And if we are not careful, if we don't get an agreement signed, whether the provincial government is favourable to the agreement or not, we have to have it signed by the federal government. By the time we get rolling it's going to cost \$100 million. And I would like to know, Mr. Chairman, who is going to pick up the difference. I am afraid, unless we have an escalator clause with the federal government in it, the provincial government is going to be stuck with the rest of the money. These are just a few remarks, Mr. Chairman.

MR. CHAIRMAN:

Any further comments? Mr. Benoit.

MR. BENOIT:

Mr. Chairman, it's only one of several in which this type of discrepancy appears, but I would just like an explanation of it, if I could.

In our Estimates it indicates that in 1972-73 the Estimates were \$512,248, but in last year's Estimates back it indicates that it was \$473,900. That is a difference of some \$38,000 or more. Now, this type of discrepancy appears a number of times. I wonder why that difference is there?

DR. HORNER:

Well, because of the reorganization of the Department of Agriculture, there has been a substantial change in some of the votes. It is very difficult to compare them in some cases because of that transfer. In regard to the communication fund, a substantial amount of that will be down in other areas. The difference is a transfer within the votes and within the department, and within government. In some of them it is very difficult to compare last year and this year. That's the reason.

MR. CHAIRMAN:

The Provincial Treasurer.

MR. MINIELY:

Mr. Chairman, I'd like to supplement my hon. colleague's answer by reminding all members that we supplied them with a book which reconciled the votes. I believe if you will look in that book you will find where the appropriation has been restructured -- and there are many votes in various departments where the appropriation is restructured -- you will find transfers of amounts between the appropriation where this is reorganized and reconciles the difference you are talking about.

MR. HENDERSON:

Mr. Chairman, it had been my intention to leave this particular question until we came to the Treasury's Estimates, but since it has come up it might be appropriate to discuss it.

Traditionally, we've considered Estimates in this House, and it has been the Estimates that have been approved by the House. Mr. Chairman, if we aren't understanding it's the Estimates that have been approved by the House in the past, it's irrelevant even to quote them because when we look at the book here it says, '72-'73 Estimates, and whose Estimates are they? In the past it has been, until this government came in, the Estimates that the previous Legislature has approved. We're not talking about Estimates that have been doctored between the session for all the good reasons, and I don't quarrel with the reasons. We're not talking about Estimates that some department has adjusted, pro and con, between sessions when the House is in session. We're referring to Estimates that were dealt with in the Legislature.

This I suggest, Mr. Chairman, in spite of the fact that the book is handed out and outlines all the changes made and so on and so forth, is making the task about five times as difficult as it should be. It isn't clearly spelled out in here, whose Estimates are they? They are not the Estimates approved by the Legislature and that is what we are talking about.

Mr. Chairman, there are numerous Estimates in here that were not approved. The arithmetic doesn't check with the Estimates that we went through in, and were approved by, this House last year.

I suggest, Mr. Chairman, and I would just ask the minister to take it under advisement -- I don't want to get into a harangue or a debate with him on it -- it would be much simpler to go through these things if what is shown here in the Estimates for '72-'73 were still what was approved last year by the House.

If you want to continue to put the question down of the 1973 forecast -- which is really just another estimate, but looks like a more up-dated one as to how things are going to stand at year-end -- I think that's desirable information to have. But when one starts comparing the percentage increase over the '72-'73 forecast, once again the exercise is primarily relevant to the '72-'73 Estimates. The question of what the final accounting is, will come out later on in Public Accounts.

When we start showing percentage increases as opposed to forecasts, as opposed to what was approved by the House in the Estimates book, I suggest, Mr. Chairman, it introduces a lot of unnecessary confusion.

I can see the desirability of having a forecast and having the footnotes in here, referring to some other book to see what has happened for the juggling of appropriations and so on. But we find that, literally, in order to go through the Estimates -- the minister may know, the department and all the task forces may know, because we have 48 cabinet ministers over there, what has been done with all the Estimates during the year. To make sense out of them you have to get this year's and last year's Estimates book, the hand-out that does all the reconciliation and a separate capital book and go through it. It makes for a much more complicated job in my mind at least, than if we stuck to the Estimates quoted in the book for '72-'73, and approved by the House, and we stuck to the percentage increase as the difference between the two year's Estimates -- treating the information on forecast year-end and other explanations as desirable information to have, to keep posted on where the changes are coming.

Again, Mr. Chairman, I don't want to pursue it now and I don't think it is a subject that really one is going to probably change too much by, as I say, getting into a debate and a great deal of harangue, but I would ask the Treasurer to take it under advisement at this point with a view of when we get into his Estimates, possibly he could inform us as to whether he couldn't consider sticking to the arithmetic that has been approved by the House for the sake of comparison for year by year -- in the manner in which it was approved by the House.

MR. MINIELY:

Mr. Chairman, even though the hon. Leader of the Opposition doesn't want me to comment, I simply must respond to what he has said.

Firstly, I sympathize, because I understand the problem that all members of the House might be having. I remind all hon. members that as a new government and newly-elected government there is a considerable amount of departmental reorganization which is undertaken. And a necessary part of that reorganization means that the function of appropriations and the function of expenditures to a very large degree changes. One of the commitments I made, and I take it as a very serious responsibility, is that the Estimates, in addition to providing relevant information to the members of this House should communicate government programs to the citizens of this province in as accurate a way as possible.

Now when we are talking about a \$1.5 billion budget, appreciate this very difficult communication problem and in fact a very difficult organization problem.

I would like to be able to cooperate with all members of the House as much as possible on this. But in fact the request that the hon. leader makes is impossible. Because if you reorganize, and you are actually reorganizing a department, then you have to present your Estimates on the basis of a reorganization and on the basis, in fact, of a reorganizational appropriation and functional spending.

You cannot compare, simply put last year's figure in without reorganizing it on a comparative basis. That is why we provide the reconciliation; because if you change the function and structure of an appropriation you have to provide the relative comparative figures for last year. To do otherwise is to simply stick in a figure last year that is relative to what the appropriation is doing this year and the functions of the appropriation has no significance at all.

Now I think it is an important thing and I don't want to belabour it; perhaps we will hit it once in the whole Estimates and then the matter would be covered, because there are some principles, Mr. Chairman, that I believe in very strongly.

Perhaps I could illustrate best relative to the forecasts in the increase percentages. First, before we were in office, percentages were never provided. So that is new information. They were not actually printed in the Estimates. What you had previously were the Estimates presented to the Legislature, approved by the Legislature in the previous year, and the Estimates presented for the current year in the Legislature.

Now, Mr. Chairman, let me illustrate how in my view this is not an indication of what a government is doing. In the first year we were in office, there were Special Warrants passed to the sum total of some \$90 million. Now let me give you an example. Say last year we presented a program, an estimate to the Legislature for a program and the estimate was \$1 million. Say, in fact, Mr. Chairman, and this happens, that the planning of the program was not sufficiently advanced and in fact what happened was that the \$1 million was never spent. Now we are presenting a budget to the province which, in fact, is presenting this year's contribution, the planning has now reached the stage where we are going to spend \$1 million.

In terms of communicating, the actual presentation of the program this year to the public, what the new amount of government expenditure is going to be relative to last year; that percentage is only a valid percentage of increase in government expenditure on any basis, it is based on the level of government expenditure the previous year.

Now this also works the other way. The other way is, as an example, that if you took the same example and there are some examples in the Estimates this year, where, in fact, we had not provided anything in the Estimates and then subsequently the cabinet or the Executive Council by Special Warrant announced a new program of \$1 million. It was not presented in the Estimates, the cabinet funded it by Special Warrant. And this year in the Estimates for the same program we are going to provide another \$1 million. Mr. Chairman, the question is: is the government spending increasing expenditures by 100 per cent or \$1 million? Is that proper communication of what the government is doing? In my view, obviously not. It obviously isn't.

Now it is valid to say, valid for the opposition or any member of this Legislature, to say relative to last year's Estimates what gave rise to the differences? What gave rise to the increased expenditure over what the Legislature approved? Or why, in fact, did the department not spend what the Legislature approved?

But in terms of presenting a budget which communicates what the government is planning on doing this year, relative to what they were actually doing last year, in my view, Mr. Speaker, and I feel very strongly about it, this is much more relevant information. I would like, as I say, to help and cooperate. I'm sure all hon. members will agree it is a tremendous task to try and present the Estimates in a manner which is most meaningful to all members of the Assembly.

But, in fact, with the amount of reorganization that's going on, the hon. leader is asking me to present the information in a manner which, in my view, is more misleading to the public and more misleading to the members than the difficulties we have in working them out now. That's why we have so many reconciliations. I know it's a problem, but I think that's what we have to do.

MR. HENDERSON:

Mr. Chairman, I would just like to comment on one aspect of that statement. As far as the departmental juggling, I can see what the minister is talking about there. The question of warrants are not relevant to the exercise until they are approved by this Legislature, after the fact. So I come back to the fact that for comparison of Estimates, from a legislative standpoint, that when one shows 1972-73 Estimates here, from a legislative standpoint -- for the member who is coming in here for the legislative session to deal with the budget

-- one automatically thinks in terms of the 1972-73 Estimates that were approved by the House, in the House.

I don't question the desire on the part of the minister in trying to provide more information to make as much information available on it as possible. What we are talking about is the manner in which it is being presented. I'd like to suggest possibly another alternative would be, if the hon. minister wants to leave it this way, if he could put another column in here relating to 1972-73 Estimates and call them legislative estimates. This column in this book, so where there are these changes they will be very evident -- it would simply add to the information that we would have that figure in here, and I think this would probably overcome a considerable amount of the concern we are talking about. It would be one more item of information -- would be to have the legislative estimate printed there. Then when one starts going through and comparing them, all the evidence is there, and if one wants to pursue it further, then one gets out the other book that you provide and you have all the information in hand. And we would avoid some confusion -- probably unnecessary back and forth efforts in subcommittee that I think were evident this year and I think are probably going to get worse without that information.

So that might be the solution to it, Mr. Chairman, if you could just add this one column and call it 1972-73 Legislative Estimates, so we would have that particular piece of information. Then we could examine it all right in the one book. I think it would facilitate our examination of the Estimates. So again, I would ask the minister if he would take it under advisement.

MR. MINIELLY:

Mr. Chairman, the hon. leader's last suggestion certainly is one that I will take under advisement. As I say, my intent is to try and make it as easy as possible for you.

However, I want to make sure that everyone understands. If you take an appropriation, actually we have this year's Estimates and last year's Estimates. The problem that has arisen is because of a reorganization of departments, and in fact, the change in function of some appropriations. The internal appropriations, in fact, have been changed. The structure of some appropriations changes as well, along with the reorganization.

For this year -- and I'll take the other matter under advisement, hon. leader -- you have to go to the reconciliation book -- and I know it's a problem -- and the figure you will see 'Transfers Between Appropriations' -- dollar figures. This accounts for the difference between what was presented in that appropriation last year and what you now see in the reworked presented appropriations. And I'll give the other matter some consideration.

MR. HENDERSON:

I suggest just to add emphasis to the desirability of it, I think it is all the more desirable to have this other item on there, particularly when we are going into the subcommittee system. Because members are concentrating on certain appropriations. But then when they come back into the House they haven't been a party to the other discussions. And I suggest we are going to get into a lot of unnecessary debate back and forth in here because under the subcommittee system, members are going to concentrate only on a portion of the estimates, but they have other concerns relating to all the appropriations, or some of them, that they are going to bring back into committee. We're going to, I think, just waste a lot of time probably getting explanations out. We'll get an explanation and belatedly we will find there was a change in the internal administration, and we get into a lot of useless time on it.

MR. TAYLOR:

Mr. Chairman, the official leader of the Opposition tells of the confusion that results, but that isn't my main concern in this. It is the fundamental basis of the whole thing that bothers me. For instance, in vote 1505 last year, this Legislature voted \$473,500. Now, since we are voting that money, that was the amount of money the government was authorized to spend in that particular vote, 1105. But this year when I checked the estimates, the estimate is shown for 1972-73 as \$512,248. Now what's the use of the Legislature voting this money if the government can simply change the amount in the vote?

Had this vote been reduced to \$1.00 by the Legislature last year, it wouldn't have made any difference -- you simply go ahead and spend it anyway. It's the fundamentals of this that bother me. If we are going to juggle these things from vote to vote let's take one vote for the whole department and then

let the government distribute it as it wishes, but that is not the way it's done. We are put into certain votes and the only authority the government had last year was to spend \$473,900 in 1105. What authority the Provincial Treasurer has to show that \$512,248 was the 1972-73 estimate is beyond me, but that is what is shown.

We're making a mockery of what we are doing right now, voting money. Surely the government can't manipulate this after it has been voted by the Legislature. If it is the case we might as well go home and forget about this time-consuming effort of voting money. Originally Parliament was called to vote certain sums of money for certain purposes, and that's the money the government could spend. That's the way, in my view, Parliament is operated today throughout the British Empire. But here we find something different going on. Unless the minister has some explanation for it, I can't see any authority for the government to spend more than \$473,900 during the year in 1105.

Now if something came up that required a further expenditure, there is an instrument whereby that can be done and that is through Special Warrant. A Special Warrant is the responsibility of the minister, and the government must then be brought back to the Legislature in order to vote upon and approve the expenditure. If it's not approved it can't be paid. The government finds itself in a very precarious position.

These are fundamentals that have been carried through parliamentary procedure in the British Empire since the mother Parliament started it years ago. If we are going to change that then we are getting some pretty serious complications and we are making a mockery of voting Estimates.

MR. MINIELY:

Mr. Chairman, I can't let that statement go unsaid. Certainly there is no doubt that when the estimates are presented to the Legislature and this year's budget is approved by the Legislature, that is the approved spending program of the Legislature. But under The Financial Administration Act, which I have made no changes to, the Estimates for the current year that we are considering are presented in the manner that you are voting on the current year's estimates.

The other information which is provided is information that is to be comparative and as meaningful as possible to members of the Assembly in determining what the government is proposing spending in the current year relative to what the Legislature approved and what the government has spent in the actual current year. The hon. leader mentioned Special Warrants. In fact Special Warrants are subsequently ratified by the Legislature, but as you know the custom of the House is that these are ratified. The money is spent in fact, so in terms of actual expenditure it's gone. And I know that it is parliamentary procedure for them to be ratified. But a proper comparison in the example I made, Mr. Chairman, is still the fact that I don't see how a government can validly say to the public if they spend \$1 million by warrant last year and they are presenting a budget this year that is calling for the same amount of expenditure that they have increased the expenditure by \$1 million because in fact, they haven't.

I simply can't want to numb the fact that the Legislature certainly approves the vote. The information relative to prior years is comparative information, and that means there are some appropriations which in fact the numbers change. Because what the opposition is asking is basically that you cannot make improvements in the presentation of financial information that is more meaningful to the citizens of Alberta because basically this is what would happen. You would simply always be married to a certain manner of presenting information.

Now I go back again, Mr. Chairman. In the early years, this problem, the problem of comparison and the problem of reconciliation is more difficult but let me say as an example, that many governments are now looking at program budgeting. Mr. Chairman, I have to say without reservation that if I eventually, or any government in Alberta eventually presents a budget on a program budgeting basis, if you think it is difficult this year it is going to be just about impossible.

So, it is my job, and I take that job very seriously, to present the Estimates in the most meaningful manner I can and with valid comparisons. In a lot of these appropriations as I say, and I am taking the hon. leader's suggestion under advisement, last year's figure is totally irrelevant to this year's appropriation because of the fact of the reorganization and the internal reworking of the appropriation has changed. But I can certainly look at that.

We have to remember that that is why we provided the reconciliation so that you can see what has transpired. But the Legislature last year approved certain expenditures, the government cannot overspend that in the appropriation. This is not the actual expenditure that we have here in the 1972-73 Estimates, but it is the Estimates approved by the Legislature last year reorganized so that they are comparative to the manner in which the appropriations are presented this year. That is what they are and that is why the reconciliation.

MR. BENOIT:

I understand what the Treasurer is saying and I accept it although I don't altogether agree with it. But there is still one question left in my mind and that is this matter of the reconciliation book. Now that is not hard to understand; but when you don't have it in the reconciliation book, then what do you do with it?

DR. HORNER:

I would like to point out to the hon. member that the reconciliation book in relation to vote 1105 includes \$38,000 --

MR. BENOIT:

No, it didn't. It's 1152 that isn't in the reconciliation book.

MR. MINIELY:

Well, that would be a typographical error.

MR. BENOIT:

Would it? Oh.

MR. HENDERSON:

Mr. Chairman, I would just like to come back to a word that caught my attention on the part of the Provincial Treasurer. I think the crux of the argument is his statement on the word "comparative". And from our standpoint, because it is comparative, the comparative exercise is from a legislative standpoint, it should take off in this book from where we left off last year instead of having it put over in this other book where you have to dig it out. I don't say we want to put all the explanation in this book, but if we just listed the legislative estimate that was approved by the House that is the start of the comparison as to what has happened between last year's budget and this year.

MR. MINIELY:

Rather than in a separate book, put it in this book?

MR. HENDERSON:

Yes, just add this other column here and if you want to have another addendum, explanation, but if you have those two side by side it would be quite apparent that there are some changes made and a person could then go to the other book and dig it out and it would streamline it considerably.

Now, the other point, though I think on principle, I am not sure is as simple as the Treasurer basically suggests it is relative to warrants. And this is in relationship to the statements by the Member for Drumheller. It is technically the warrants have not been approved by the House. I agree that The Financial Administration Act takes care of the authority to transfer accounts one to the other. But the over-expenditures in the form of warrants by the government are still subject to legislative approval, and from a standpoint of tradition, at least, it's technically possible for the government to be defeated on a vote in this House on a warrant. So the government does not have legislative authority per se to include the matter of warrants, I don't believe, in the reconciliation they way they have it presented here --

MR. MINIELY:

This isn't in the estimates, it's only in the forecast.

MR. HENDERSON:

But you indicated you have taken some into your reconciliation, you've taken the warrants into account?

MR. MINIELY:

They are forecast figures.

You have to distinguish between the Estimates which are what was approved by the Legislature, and the forecast figures which are actual expenditures.

MR. HENDERSON:

Mr. Chairman, I don't know if this is the chicken-and-the-egg proposition. But if the warrant were not approved the forecast would be irrelevant and misleading.

MR. MINIELY:

The forecast is actual expenditures. If it's spent -- it's actual expenditures.

MR. HENDERSON:

Maybe from a bookkeeping standpoint the Treasurer is right, but from a Legislative standpoint there is a principle involved. I suggest -- and I'm just suggesting, I'm not sure of this myself -- I suggest that maybe in principle the Treasurer is not on as solid ground as he thinks he is when he mixes the warrants into the bookkeeping, as is done in the Estimates here. Because he could be accused, I think, of possibly misleading the House on the matter.

As I say, if the warrant were voted down and was not approved by the House, in spite of the money spent, technically I think the government would have to consider itself defeated. I don't think it's going to happen, but you never know, half the gentlemen opposite might get the 'flu someday -- and we might try to organize it for them -- and it could happen.

But I still think the key to the thing is the word comparative that the minister uses himself. If we started off in the Estimate book where we left off last year, along with the information we have, I think this would simplify it a lot.

MR. MINIELY:

Mr. Chairman, the request of the hon. leader for putting it in one book rather than having a separate book seems like a reasonable request. I can see where perhaps we could get rid of the note section in the Estimates that we provide now. I imagine one was a matter of typesetting.

I want just to comment because I hope that all members will understand, the comment of the leader relative to the legislative authority on Special Warrants. First, I agree with him on the principle. But his suggestion of any kind of misleading -- I would point out that the estimates to estimates figures on the right hand side of the Estimates book are the legislative authority figures. They are simply reorganized to the current functions of appropriations.

The forecast figure is the forecast of actual expenditure in that appropriation. Mr. Chairman, I submit that is simply relevant information, not anything but additional relevant information to the consideration of the Estimates.

MR. TAYLOR:

Mr. Chairman, in Appropriation No. 1105 what was your actual expenditure in 1972-73?

MR. MINIELY:

\$542,000

MR. TAYLOR:

Pardon?

MR. MINIELY:

Mr. Chairman, the actual expenditure is \$522,638 but you have to go to the reconciliation book to see the transfer -- what is in there over what was legislatively approved last year and which was previously approved by the Legislature under a different appropriation.

MR. TAYLOR:

[Inaudible]

MR. MINIELY:

It's all approved. That \$522,638 are funds approved by the Legislature, plus any Special Warrants that may have been passed for that appropriation. Because the forecast figure is actually an expenditure --

MR. TAYLOR:

I know, the forecast doesn't worry me. It's where it says, '1972-73 Estimates.'

MR. MINIELY:

Mr. Chairman, that is what was actually approved by the Legislature, but part of it -- because the appropriation has been restructured -- was approved as a different vote. You can find that by going to the reconciliation book and that is what your hon. leader is saying, perhaps if we had that right in here it would be easier to follow rather than a separate book.

MR. TAYLOR:

Could you show me where 1105 is in the reconciliation book?

AN HON. MEMBER:

Right on 5.

MR. STROM:

The hon. Provincial Treasurer mentioned program budgeting, which I am certainly vitally interested in and I think it's an excellent idea. I'm not sure that this is the place to discuss it, but I would like to ask him a question that I think will make it relative. Are there any items in the Department of Agriculture in which you are presently using program budgeting? I am not aware of any and I am just wondering, are there any items in the department where program budgeting has been used?

MR. MINIELY:

Mr. Chairman ...[Inaudible]...program budgeting is a very, very major task, as I'm sure all hon. members realize. Basically the manner of presenting estimates now would be totally and radically changed. Because what it basically is is that you present the Estimates on a functional basis or on a program basis rather than on an expenditure classification basis -- such as salaries and wages and this type of thing.

We have now -- as I've mentioned in the Estimates subcommittee in my department -- started the initial program-budgeting study. Now having said that, I would like all hon. members to realize that the person or firm we chose to do this was one that in our assessment is the best firm, because we feel that the province must have the best quality possible in this area. And the first statement that he made in discussing it with the Treasury Department was that program budgeting has never yet worked. And so we feel that there might be a variety of ways in which modifications of it could be introduced.

The main thing that we want to accomplish is to present the budgetary information in the most meaningful way of measuring the actual cost of the government programs. I am sure all of the hon. members would agree with me that there is a need for some improvements. We tried to strive for some and we hope to make many more. Some element of program budgeting may be the answer -- we are making an initial start in looking at it. As of now, no departments as such are on a program-budgeting basis, in answer to your question. You are probably aware of the fact that Municipal Affairs and the Department of Education, of course, relative to school boards, have done substantial work with the program budget.

MR. STROM:

I appreciate that there is no program that is directly on it, and I certainly understand how it works and the problems that are involved. My reason for supporting it is that I think governments, no matter where they are today, are being faced with some real difficulties in trying to keep the lid on ever-escalating costs. And if I can come back to my pet program, that of irrigation, I think this would be the closest we are coming to program budgeting in that we are looking at an end figure for a ten-year period. But I would suggest that the greatest problem that will be facing us, in my view, will be the problem of trying to cope with inflation. This really throws the whole thing out. But I would think maybe the hon. Treasurer would agree with me that in a sense there is the beginning of a program-budgeting approach in that ten-year rehabilitation work mentioned in No. 1111.

MR. MINIELY:

The thing, as you that, that we introduced last year, Mr. Chairman, was the functional summary at the beginning of the departmental Estimates. Now this is nowhere near any kind of program budgeting. But that, again, is just additional information to try and provide a functional comparison of expenditure. And to be honest, if there is any suggestion that we are trying to mislead -- we are trying to present it in a way that is meaningful, because I know as a matter of fact that there are some things in this estimate which cause us concern. One of them which would create embarrassment for the government, and which is misleading as an example, are the manpower equivalents or the positions as they are in the Estimates. In fact, the figures that many members of the opposition have pulled out are not valid comparative figures relative to the time we took office, because they are presented on a totally different basis. So I certainly wouldn't want anyone, Mr. Chairman, to think that we have any intent but to try to present more meaningful budgetary information to the public.

MR. HINMAN:

Mr. Chairman, I don't really want to make a speech on program budgeting; but in business program budgeting has a very good function in that it enables business management to decide whether or not to go ahead with a program after they have done the budgeting, which indicates whether or not the program or not the program will be profitable. In government it is not going to serve the same purpose since we're going to do these programs, whether or not they are profitable.

If it will help the Provincial Treasurer in his relationships with the department during the year in relating what they propose to what it's going to cost, and if the decisions as to going ahead with their proposals are influenced somewhat, I'm not against it.

But I do point out that it will not serve the same purpose in government that it does serve in business in that regard.

MR. HENDERSON:

Mr. Chairman, I'm not sure that this is really appropriate at this time but maybe I could bring it up with the view that we'd come back to it when we get into Municipal Affairs.

But is the Treasurer aware of what this change in budgeting system and bookkeeping that is being inflicted upon the municipalities which some of them are referring to as program budgeting?

MR. MINIELY:

Well, I'm semi-aware. I've had a chance to look at the report of the consultants on program budgeting but I believe that was initiated sometime before we took office.

Perhaps -- oh -- the Minister of Municipal Affairs isn't here, but as I recall there was a consultant retained on program budgeting for municipal districts and counties and I saw a copy of their recommendation which was provided to me after we took office. I'm not fully aware -- I think there has been some preliminary discussion with the MDS and the counties, but I don't think there is any mandatory program budgeting relative to the MDS and counties being required. It is a matter of communicating with them because there was a great deal of lead-time necessary before a massive change like this in budgetary practice can actually take place.

You know, the Minister of Education, when he announced program budgeting for the school districts provided -- I think it was one-year lead-time, because of the need to have that amount of time to actually make such a tremendous change in budgetary practices.

MR. TAYLOR:

Mr. Chairman, there is one other point I'd like to question while we're on this, and that is this percentage change from '72-'73 forecast. This percentage change which we have put a lot of emphasis on is from the forecast which is also a guesstimate. If this is from the actual, I can see some sense in it. But it really almost becomes meaningless when it's from the forecast. If it is from the actual then that is one thing -- or better still, or not better still, but it would still be more meaningful -- if it was the increase percentage change from the amount voted by the Legislature last year.

I question the percentage change based on the forecast. I don't think that is a sound procedure.

MR. MINIELY:

Mr. Chairman, I just have to really disagree with that statement because the Estimates presented to the Legislature -- when we're talking about actual expenditure now -- the Estimates presented to the Legislature; once they are approved, the government then proceeds to expend money. We've discussed, and I agree with the basic statements on both sides of the House relative to Special Warrants.

But at this time of the year, presenting this budget, we now have an actual expenditure experience for ten months, and we are much more aware of the actual expenditure in every appropriation that is going to exist and this is much more relevant than the Estimates that were voted upon by the Legislature.

Good examples of that are -- if you pick out any amount of expenditure -- and some of the programs as I said earlier, the \$1 million where the Legislature, in fact, didn't approve anything last year. The government subsequently, by Special Warrant, and I accept the premise that this must be ratified by the Legislature -- but in terms of saying what the increased expenditure in the budget plan we are presenting to the Legislature now is over what we've actually spent last year, much more relevant is the fact that last year we spent \$1 million even though we had no approval of the Legislature. Subsequently it must be approved.

I don't think it is valid for the province to say, we've got a new program of \$1 million and the increase is 100 per cent over last year; we spent nothing, when, in fact, we had a Special Warrant and spent \$1 million, and the public money is gone.

MR. TAYLOR:

Until the warrant is approved, that is not right.

MR. MINIELY:

That is right. In my view, the purpose of the expenditure percentages is to communicate the increase in public expenditure that is being presented to the Legislature and the people of Alberta now over the actual expenditure last year. That is the purpose of the percentages. Now you also have the Estimates presented to the Legislature, but the percentages are the increase or to communicate the level of increased expenditure this government is proposing. And the actual level of expenditure, the forecast figure, is much more relevant than the Estimates.

MR. HENDERSON:

Mr. Chairman, what the minister is really saying is that the comparison that he has presented is the comparison between what Executive Council has decided and what he is asking the Legislature to approve.

AN. HCN. MEMBER:

Exactly.

[Interjections]

MR. HENDERSON:

No, but -- in his general statement here and his argument fundamentally which brings into focus the question of why bother, if the minister is right, why bother go through the Estimates in the House? Just give him a blank cheque and let it go at that. It is, Mr. Speaker, because we are talking about what the Legislature has done and what the minister wants, he is presenting, in this estimate book we have here, what Executive Council has decided and making a suggestion to the House as to what Executive Council thinks we should do next year.

And it comes back to the relevancy of the point "comparative." From a legislative standpoint we have to start the exercise with what was done last year in this House, not by Executive Council. That's all we are really talking about, Mr. Chairman.

MR. MINIELY:

Mr. Chairman, one more comment and I hope we don't have to debate this matter any further. But relative to the forecast, and I submit that this is supplementary information to the budget, the percentages are information which it was not customary to provide in the past until we took office. It is something I wanted to provide because I think it clearly communicates the level of government expenditure we are proposing over the level of expenditure that is forecast for the current year.

I would ask the hon. leader one question and he can tell me if this relevant. When I am communicating not only to the members of this Legislature but I have the responsibility to communicate this information to the public, and the Legislature approved \$1 million last year, but, in fact, we spend \$2 million and we are now presenting a budget which is \$2 million, am I to put in here for a figure that will be publicly communicated that indicates the government is going to spend a 100 per cent more money this year than they spent last year? And I say definitely not.

MR. CLARK:

Mr. Chairman, following along the comments of the Provincial Treasurer when he talks in terms of his responsibility to communicate this to the public, then in the Estimates where it says on the right-hand page 1972-73 Estimates -- certainly the members of this Legislature and I, for one -- are those the estimates approved last year?

[Interjections]

No, they are not, they are changed. They are changed, they are not the Estimates we approved last year. Last night, in the Department of Health we found estimates where 80 more people had gone in a program than we approved in the Estimates last year. And we followed the thing along and the minister said that that money, or those people came from a program under another vote last year. They were transferred over there in the course of the year. So if the minister is talking about communicating with the public when we talk in terms of the 1972-73 Estimates, those aren't the 1972-73 Estimates that the Legislature approved.

Now if you take the suggestion that my colleague, the Leader of the Opposition, has made and put in a column saying the 1972-73 legislative Estimates, then, in fact, you would have what you say you've got.

But when you are talking about communication with the public, the public to accurately read the estimates then, is going to have to be like any member of the Legislature. They are going to have to have the estimate booklet, the capital estimate booklet, and also the reconciliation table. And certainly that's going to make it more difficult for the public, rather than easier for them. So I suggest that you take the suggestion made by Mr. Henderson and then perhaps change the title 1972-73 Estimates, because those aren't the 1972-73 Estimates that were approved by the Legislature.

MR. DIACHUK:

No further comments? Mr. Dixon.

MR. DIXON:

I wonder if I could get clarification from the hon. Provincial Treasurer because I am quite concerned when we are talking about the fact that we are

adding Special Warrants into Estimates by way of forecasts. Because I believe under our parliamentary system, Special Warrants are only used on as rare an occasion as possible. Do I get the understanding that this government is operating new programs by Special Warrant that weren't approved by the Legislature, not for emergency situations?

MR. MINIELY:

Obviously not, and the hon. member has misinterpreted my comments. The estimate figures presented in the Estimates books are those approved by the Legislature, reworked to the current year's function of the appropriation. I can only repeat that again. We've reconciled them by the separate book that is provided to all hon. members. I'll take the suggestion under advisement.

Special Warrants -- certainly not. They are used in an emergency situation, but in fact -- as I indicated in the Budget Address -- the amount of Special Warrants necessary for this year was some \$30 million as compared to some \$90 million in the previous year.

DR. HORNER:

Well, Mr. Chairman, if we can get back to the Department of Agriculture --

MR. CHAIRMAN:

Please.

DR. HORNER:

I'd like to make some comments with regard to the rather extraordinary speeches that we've heard tonight. I'm a little surprised that my colleague from Macleod doesn't like my Future Farmers Program. He doesn't appreciate that it is an input back into the 4-H program in a very substantial way. I understand that he doesn't have a number of youngsters to finance in the 4-H program. But I know lots of farmers that do have them, and they find it very difficult to finance three or four youngsters in a 4-H Club, particularly with the present price of beef, for instance.

When he talks about us requiring the youngsters to learn a little bit about basic bookkeeping, I'm sure that after the exercise we've just gone through the necessity for accurate bookkeeping is pretty apparent. The idea behind the entire operation of a Future Farmers Program is not just to give them money, but rather to give them some basic education in agricultural bookkeeping in the question of cost analysis, so that in fact they can judge for themselves whether or not good management will result in adequate returns in the agricultural endeavour.

We're pretty proud of the program. We think that it's going to put that agricultural input back into the 4-H movement. This is a joint program between myself and the Minister of Youth, Culture, and Recreation. The response that we have had already from the young people in Alberta has been simply tremendous, and I want to suggest to the hon. gentleman that he should be talking to his young people in his riding. I would hope that he would help them out and, as a matter of fact, be a sponsor for some young people in the Macleod area.

I'm also rather surprised that he should have to borrow his remarks from the NFU in regard to agriculture. I said in some detail in this House before, with regard to the velocity of marketing that we have in the Department of Agriculture and in this government, that we were going to take a new approach to marketing, that we were going to try and combine production with marketing so we wouldn't be back into the same old thing we've gone through for 40 years when we produce like mad and then hope to dump our surpluses in somebody's backyard, but rather we would do a job of looking for those markets, outlining them, and then producing for them.

The nonsense that not only some of the hon. members opposite, but some other people, are talking in this country, that we are the republic of Alberta and so on and so forth is just that -- so much nonsense. We have taken the lead in all of the meetings between the other governments, in formulating cooperation between governments.

It was our motion at the ministers' meeting in Halifax to set up a national market development committee, which is ongoing and which Art, my deputy minister, has had a great deal to do with. We have taken the lead in western Canada in setting up joint-market development programs and inter-related committees so that we each know what we are doing in Manitoba, Saskatchewan and

British Columbia. We may not be very smart, but surely we are smart enough to appreciate that in world trading you don't allow yourself to be divided and then spun off against one another. As I have said in this House before, I don't mind where the hog is sold from as long as it is sold out of western Canada, because that is another hog that we can produce and that we can give a marketing opportunity to. So let's put that one to bed once and for all.

In our trips around the world we have used, very extensively, the trade commissioners of the federal government. We have a good working relationship with the federal Department of Trade and Commerce and with their liaison people here in Edmonton. They have been very pleased that they have been getting some help in relation to the entire marketing situation. I take it that the policy of the Social Credit party is that they don't believe in a marketing thrust, they don't believe we should be looking for new markets and new ways of doing things. Rather, they want to go back to the old way -- they don't like this idea that we should have a marketing capability, that we shouldn't be --

[Interjections]

Well, the same old thing we used to hear when we suggested to the former government that they should be getting off their fannies and getting around and looking for markets and we were told that wasn't their job.

It's in the transcription somewhere if somebody wants to go and listen to it, before we had Hansard. The then Minister of Trade and Commerce got very annoyed and said you just can't do that because the provincial government -- and we can remember that day very well because he got very annoyed and we had a rather interesting debate in that connection. My hon. colleague here can remember it very clearly, as well as I. He came rushing back into the Legislature to tell us that was just terrible and wasn't allowed.

Well, that is so much nonsense. We intend to proceed with the kind of programs we have initiated. I have something to say about the Leader of the Opposition's comments with regard to positions, because he, of course, used his figures in his own little way. There is the traditional comment you know, out in the hustings, Mr. Chairman, that "figures don't lie but sometimes politicians make them."

MR. HENDERSON:

Mr. Chairman, on a point of order. The figures I used came from his colleague the Provincial Treasurer, so I would suggest he be cautious now with the remarks he makes about them. I wouldn't want to witness any bloodshed on the part of the gentlemen opposite.

[Laughter]

DR. HORNER:

I let the hon. Leader of the Opposition have his fun the other night. I think he might allow me to have my little bit of fun.

MR. HENDERSON:

On a point of order, Mr. Chairman. I still think we have to keep the record straight. I just wanted to introduce him to the Provincial Treasurer.

DR. HORNER:

The hon. leader, now that he is in an exalted position, must appreciate that on occasion he is going to have to listen. Really, one of the attributes of good leadership is the ability to listen.

[Laughter]

He'll find, Mr. Chairman, that as he goes along in his position that it will become more and more important; he'll have to develop the ability to listen because he will have people talking to him from a variety of directions.

The number of salaried positions as of January 1, 1971 was 1,219. Transfers from the Alberta Department of Agriculture in September of 1971 out of the department to Advanced Education were 209 salaried, 58 on wages; to the Department of the Environment 272 and 210 -- for a total of 482. Transfers to the Department of Agriculture from Environment were salaried, 27, on wages 19. Transfers from the Department of Industry with regard to the Co-op Activities

Branch were 48, that came in. Transfers from the Department of Mines and Minerals with regard to the Surface Rights Board were 18.

So, Mr. Chairman, the total staff increase in this budget is under 300 people and I would just like to have a word with regard to where those people are. All of them are related to new programs.

MR. HENDERSON:

Mr. Chairman, I don't wish to interject just for the sake of interjection. Is he talking 300 in this year's program compared to last year?

MR. CHAIRMAN:

Please continue.

DR. HORNER:

As I said, Mr. Chairman, there are an additional 53 people in the irrigation area and I want to have a word about irrigation and who is where and what and perhaps just read a little bit of documentation in here that the hon. gentlemen seem to have forgotten about. There are 53 additional people in the technical resource area in irrigation, 5 additional in administration. This is the establishment of the technical back-up for the Irrigation Secretariat in the Department of Agriculture. The Rural Development of Small Farms Agreement, which is funded and staffed out of the rural development vote, has an additional staff of 130; as a matter of fact, most of the increase in staff is in this area. In that 41 are joint appointments if you like -- positions seconded from the federal government. It is a 50/50 operation in relation to the counsellors who will be dealing with The Small Farms Agreement. The others are rural development credit officers or agricultural development credit officers who will be stationed in the rural areas.

We have instituted, of course, meat inspection on a provincial basis which will require 10 additional people.

The other additional people will be in the areas of the Surface Rights Board with the establishment of an additional office in southern Alberta, with additional secretarial assistance that is required there to catch up and to deal in an efficient way with the claims coming before it. The Policy Liaison Secretariat, the Farmer's Advocate, these are all new things that the department is doing in which these additional people are required.

As a matter of fact, Mr. Chairman, if you take the 300 new positions I am talking about, if you add all the new programs that we have initiated since we came into office, it would require 429 people to administer and operate the new programs. We have done it by only adding 300.

Now, Mr. Chairman, just very briefly, I think that we had better clear up this irrigation matter once and for all.

[Interjections]

The former government had told Ottawa that they were in agreement with them prior to the election of August 30, 1971. Mr. Chairman, if the hon. Member for Cypress would like me to read this letter, I will. Well, this is to the hon. Minister of Agriculture --

MR. HENDERSON:

Is this from the Department of Agriculture?

DR. HORNER:

Yes, this is from the Department of Agriculture in Alberta.

MR. HENDERSON:

To whom?

DR. HORNER:

The Minister in Charge of the Water Resources Branch at the time writing to the federal Minister of Agriculture, dated March 30, 1971:

Further to our telephone conversation of March 23, 1971, [re irrigation capital works program - rehabilitation] I wish to outline my understanding of our conversation.

I indicated that the Government of Alberta accepted the principle of your proposal, that you have agreement for the following sums at present:

\$12 million for rehabilitation,
\$6.2 million for the Bow River Project and St. Mary's Headworks transition period, deficit and rehabilitation,
\$2.3 million (approximately) in assets to be transferred. Complete engineering services supplied by P.F.R.A. for structure rehabilitation work.

-- that you are not hard and fast on particular projects but feel that projects involved should cost over one quarter of a million dollars. You also requested that in order to get started this year we accept \$12 million worth of rehabilitation at this time. At some time during the next five years when the \$12 million is close to being spent, you are prepared to go back to Cabinet for another \$1.5 million.

In our discussion I pointed out that it was Alberta's stand that we only match the Federal contribution to rehabilitation.

It is understood that the flexibility will be allowed in Alberta's handling of the \$4.2 million which at the present is designated to offset deficits in the Bow River Project and the operation of the St. Mary's headworks.

And here is a very important paragraph, Mr. Chairman:

It is understood that after a period of adjustment the Bow River Project will be given the same status as all other Alberta irrigation districts.

And there was no prior consultation with the people in the Bow River project or anywhere else nor the irrigation projects association at that time.

Mr. Chairman, I think that the hon. gentlemen, if they are going to get up and make statements, should be very careful that they know what they are talking about. I might say, Mr. Chairman, that the members of that cabinet who were involved with this were the hon. Member for Cypress, the hon. Member for Drumheller, the hon. Member for Little Bow and the hon. Member for Wetaskiwin-Leduc. They are aware of that letter of acceptance and --

[Interjections]

Well, the hon. Member for Cypress can wave his hand all he likes. This is a letter from the provincial Government of Alberta accepting a federal proposition -- the former Minister of Agriculture.

[Interjections]

AN HCN. MEMBER:

Shame.

DR. HORNER:

I could go on at some length about the activity our department is involved in. I would like to say this, I have been extremely pleased by the reaction of my departmental people to the new programs, the kind of enthusiasm and vitality that they have brought to their jobs, and the way they have accepted the new philosophy, is really very encouraging to me.

The situation has improved. I, for one, am certainly not taking any credit for the improved situation, but I do think it's absolutely imperative that we appreciate what is going on around us throughout the world. We got into an extremely bad situation in Canada and in Alberta because we were asleep at the switch. Then we got reports like the task force report on agriculture -- which came out of Ottawa -- which was absolutely incredible because of its lack of knowledge about what, in fact, was happening around the world.

The rising standard of living, the improved and different standard of living that people around the world were having, rural urban shift that was taking place in all of the countries of the world -- these were things that they

didn't appreciate or they couldn't have written the kind of report that they did write.

The only thing I would like to say at the moment in regard to any advice I might give to farmers as to what they should produce is that again I would like to stress we wouldn't like to see Alberta return to a wheat economy. Our programs, in fact, have been directed in exactly the opposite direction in that they have been directed in a major way to diversification and to the basic livestock economy.

I have gone over a number of these things before, but again I point out -- my hon. friend talked about January 31 being sort of the high point in prices -- that prior to the end of the year, prior to the last escalation in the price of cattle in particular, we had helped our farmers in all of Alberta to the tune of something like \$18 million in cattle breeding loans. Those people who were able to take advantage of those loans in the early months of operation made substantial gains not only in their income, but also in their assets generally, because of the increased price of cattle.

I know my hon. friends like to play a little politics now and then, I like to play it too. I'm quite willing that the farmers of Alberta should judge the program and judge the activity of the department and the way the minister handles that department.

With that, Mr. Chairman, I would like to suggest that the real results of the programs we initiated since we have taken office should show up in the coming year and the year after that. Any agricultural program is going to take from one to three years to have a major effect upon the income of the farmers. That is one of the reasons we had to start early and go to beat the band.

MR. HENDERSON:

I want to ask a point of order. I would just like to raise two things, Mr. Chairman, I guess would come under a point of order.

Firstly, would the minister table the particular letter?

Secondly, for the record, I just want to be sure I heard him straight, that the federal government did not or were not requested to concur with the tabling of this correspondence? Are they not required to?

MR. YURKO:

Mr. Chairman, I answered that question early in the session. We had written to the federal government and did not get concurrence about tabling the correspondence that involved them directly -- that is their correspondence to us -- until such time as the agreement had been finalized. I made a remark with respect to that when, in fact, the session opened.

MR. HENDERSON:

Mr. Chairman, the federal government basically then have not concurred with the tabling of that particular letter.

[Interjections]

Well, who's the letter to?

DR. HORNER:

The letter is to the federal government but it's our letter.

MR. HENDERSON:

From who?

DR. HORNER:

From the former Minister of Agriculture.

MR. HENDERSON:

And so there is no need to get the concurrence of the federal government to table that letter?

DR. HORNER:

No, it's our position. It's the Government of Alberta position.

MR. HENDERSON:

All right. I just want to be clear of this for the record in the little matter of relating returns so that all returns that are approved by the House -- it's just the letters -- correspondence that's coming back from Ottawa that aren't to be tabled by the order.

DR. HORNER:

No ...[Inaudible]...

MR. HENDERSON:

O.K. Just wanted to be sure of that little item, Mr. Chairman.

DR. HORNER:

You're learning ... [Inaudible] ...

MR. CHAIRMAN:

Mr. Buckwell.

MR. BUCKWELL:

Mr. Chairman, to the Minister of Agriculture. I was not opposed to the policy of the Future Farmers. All I tried to convey was that this could have been worked through the 4-H without having another separate group altogether.

MR. CHAIRMAN:

Mr. Strom.

MR. STROM:

Mr. Chairman. I appreciate that the hon. Minister of Agriculture thought that he could very neatly take one piece of correspondence, read it, and then suggest that this was going to close the argument and there would be nothing more said about it.

I certainly have no intention, Mr. Chairman, of letting that rest there because, I suggest that even by his own statements that he can certainly be proved wrong. Because if he is suggesting that the reasons that no agreement was signed, was because the provincial government was dragging its heels, then the very evidence that he is using here, right at this point in time, is defeating the very argument that he is trying to make. Because, if the federal government did in fact have a letter from us saying that we were agreeing to it in total, and that there was no further argument, I ask him, why wasn't it signed? Because it's the federal government that certainly then were at that point required to sign it, and I suggest that the hon. Minister has been trying to throw up the smoke screen to confuse the issue again, as he does on so many occasions.

Mr. Chairman, that letter is nothing new to me. I am well aware of that letter. And I suggest, that when it was written, it was written by the Minister of Agriculture who was not totally aware at that point in time of --

[Interjections]

-- Mr. Chairman, it is fine for them to pound their desks and I say that if we are going to look at the facts, let's look at all of the facts and not just try to look at some of them.

Now, Mr. Chairman, at the outset of the discussion, there was one point that the hon. Member for Little Bow and myself were trying to make very clear, and apparently it didn't get through to the Minister from the remarks that he has just made. Now, that was that the federal government had an agreement with the east block. Now, I don't know how I can say it any clearer than that.

Mr. Chairman, the second point, and again I thought that we were being clear, was that it was not the responsibility of the provincial government to tell the east block that the federal government was no longer going to honour

that agreement. And when we accepted, and I wrote down the words "accept in principle", which is what the letter said, we had not any suggestion of changing the figures. But it was a point of procedure that we were arguing with the federal government. We pointed out very clearly to them that the procedure to follow was for the federal government to tell the east block that they were no longer going to continue their agreement.

At that point, and I'm sure that if the hon. minister will check it, he will find that the procedure that should have been followed would be that the east block would then come to the provincial government and make application to be taken into the irrigation arrangement under provincial statute. This they never did. I'm not aware that to this day that the east block have made any move, have made any application to the province to be taken in under the provincial statute. And I suggest that as long as they have an agreement with the federal government, the federal government has a responsibility to honour it. And I say again, and I say it just as straightforwardly as I can, Mr. Chairman, that it is not the responsibility of this government to take away an agreement that this district has with the federal government.

It is for this reason that the agreement was not signed at that point in time. There was no argument of the figures as this letter has indicated. The figures at that point were acceptable.

It was a matter of procedure, and the federal government refused to follow through. I say that if they want to table all of the correspondence that went on at that time, fine. It only covers part of it. Because the main point that I am raising right now was discussed in my office, when I sat up in the Premier's office, with two or three other members who were involved in it who sat there with me. I pointed out very clearly to the Minister of Agriculture at that point in time that there was no way we were going to accept it until he had made his proper arrangements with the irrigation district. And he refused to do it. Now I know the minister over there can sit and smile all he wants to, but these are the facts as they existed.

And as far as him trying to read a letter into the record at this time to try and indicate that it was any different, is just trying to mislead the House.

DR. HCFNER:

Mr. Chairman, the hon. Member for Cypress can be as defensive as he wants to be. This letter says, "it is understood that after a period of adjustment the Bow River Project will be given the same status as all other Alberta irrigation districts." That is pretty clear that they were taking over the Bow River Project. No ifs, ands, or buts.

The other important thing, Mr. Chairman, somebody talked about -- there really should be an escalation clause in relation to inflation -- and I'm sure when the agreement is signed, that it will be substantially better than the figures I read out here this evening in relation to that letter.

I know why the agreement wasn't signed, Mr. Chairman. Because it wasn't at the right time of the year. Having regard to the provincial election that was coming up and they didn't have any program or any way in which they could sit down and talk with the Bow River people, and that is why the agreement wasn't signed.

MR. HENDERSON:

Mr. Chairman, we would delight in going back over all this history because we'll be here until Hell freezes over, and we'll have the Minister of Agriculture to credit for it.

So I just want to go on record, when later on in the Estimates we start hearing people on the other side crying about we're delaying the operation, I'd just like this moment to come back to haunt some of the people seated opposite.

So to start the exercise, Mr. Chairman, I can't understand from the minister and after all the exercise we've heard about from the Provincial Treasurer about making all the effort to provide us with all this information, how on earth the minister can arrive at 300 employee increases when the book says 400.

We listened to a great dissertation by the Provincial Treasurer telling us that the Estimates that are shown in the new book here this year, is not the Estimates that were approved by the Legislature, are not the manpower approved

by the Legislature, but is the figure that the Executive Council have come up with after they have juggled programs.

AN HON. MEMBER:

Juggled the books.

MR. HENDERSON:

So how on earth then, when you go through the arithmetic and I assume on the basis of what the Treasurer has said, that what is shown here is '72-'73 Estimates is what the program finally shook out to be after they finished their juggling and adding more warrants and so on in, in manpower. When you go through that exercise you come up with the difference between their adjusted 1972-73 Estimates that they have adjusted, not what the Legislature approved, but as per their adjustment presumably with a difference of 399 employees on a net balance.

Now the question comes up then next is, if the figure that is shown on the Estimates for '72-'73 here in dollars is not the figure that was approved by the Legislature, but rather it is a revised figure as a result of changes in government program, what on earth does the manpower figure relate to that is underneath it? I presume it relates to the revised program after the juggling has taken place.

So I don't know how on earth you expect us to conclude that the minister's statements of only adding 300 employees when the Estimates show 400 employees can be accepted in light of what the Provincial Treasurer has said.

I presume that if we went back to what was in the original '72-'73 Estimates we would come up -- if it was approved by the House -- we would come up with a different manpower figure again. I don't really know what that would be. But I'd like to find out where the 100 employees went that are shown in the Estimates that the Minister of Agriculture doesn't know any thing about.

MR. MINIELY:

Well, Mr. Chairman, again the hon. Leader of the Opposition -- I explained this at the last session where we first presented the information in this manner.

In fact my colleague and I are both very aware of what's happened. As a matter of fact I have said this in the House a couple of times, and the hon. leader and the members of the opposition seem to refuse to try and accept what I have said in the past.

First, in fact, there are transfers of people, and I think what is unfortunate is having had 36 years of one government in the Province of Alberta and a new government taking office, there is bound to be a great deal of change. There is bound to be a great deal of change in programming. That's one of the reasons why this government was elected. So, in fact, Mr. Chairman, the manpower that is presented in the Estimates -- if the opposition wants to understand this and is serious about understanding it -- the manpower figures in the Estimates include what we started with the previous year, the transfers within the department, because in fact, under the reorganization are transfers of people into different functional areas, and transfers between departments, witnessed last year as my colleague knows in the case of irrigation where there were extensive staff position transfers within the Department of the Environment and Department of Agriculture.

And it also includes the fact, Mr. Chairman, that the Estimates as we present them -- because in my view they are more meaningful -- categorize manpower equivalents. For that reason part-time staff in the time we have taken office, persons who were formerly categorized as part-time staff and were not included as positions in the civil service, are presented in the Estimates now in terms of their equivalent manpower. And I am happy, Mr. Chairman, to provide all members of the Legislature with the reconciliation of manpower, if they wish to have that as well.

This here is again supplementary information, which I submit is additional information which was never provided, in fact, in Estimates before we took office. In fact the opposition has tried to use them to embarrass us as though we had 3,100 positions, when they know that last year in the spring session I said this very same thing and explained this very same thing. So if they want a reconciliation of it, my colleague has indicated the actual increase in position

relative to the comparative amount last year, and we can provide the members with that too.

MR. HENDERSON:

Mr. Chairman, I find it difficult to accept the arguments of the Provincial Treasurer. In the final analysis it boils down to money. And if it is bodies we are talking about, it is costing the taxpayer money. And he can juggle up halves of men and fractions of men and get them out into round numbers, and put them into equivalents or unequivalents, any way he wants. And I can only assume, in terms of what it means to the taxpayers of Alberta, that when one sees appropriation 1102, there are 39 in this year's estimates for 1972-73, so it's 39 people. When you look at 1102, under the Estimates for last year, it says 36 people. And so they have added three because of changes in the programs.

[Interjections]

So I can see the argument of the Treasurer being relevant in the year they switch over from the way we did it to the way they are doing it. But the way I interpret it is the figures they are giving us this year compare their version of last year and their version of this year, and you come out with 399 people different. And when either minister, any minister on that side of the House, stands up and says that we are misleading the House, when we simply take the arithmetic that they present --

AN HON. MEMBER:

You can't add.

MR. HENDERSON:

-- and when the Treasurer has gone ahead and given us a great spiel about his responsibility to make information available to the public and make the presentation as thorough as possible, he then comes up with a figure that is unbalanced. There are somewhere around 400 people between their revised Estimates using their methods and their Executive Council changes in bookkeeping and transferring and so on and so forth, and comes up with figures that say there is a 400 people difference in the two years Estimates using their techniques in both years. The whole question of manpower equivalents becomes completely irrelevant. And on the other hand, if the figure isn't relevant what on earth is it in the Estimates for? What's it in there for?

And so I suggest, Mr. Speaker, the explanation that the Treasurer has given may make sense in terms of some accounting circles, but he talks about trying to communicate to the public and as far as the public is concerned it knows it is in the Estimate books. And the Estimates say there are 399 more employees equivalent. Whether they are hired half-a-man here, a quarter-woman there and three-eighths some place else is irrelevant in terms of what it means to taxpayers in expenditure of money. That's what we are talking about and that's what is in here. So if he wants to communicate effectively to the public he'd better figure out some way of getting together with his colleagues and making sense out of this so we don't go through this exercise of taking the Treasurer's arithmetic that comes up with 400 employees and have the Minister of Agriculture stand up and say it's 300. Now which minister is the public going to believe?

MR. CLARK:

Neither one.

MR. HENDERSON:

We can get into all this accounting terminology and so on and so forth, and we might even get into a bit of medical terminology with the Minister of Agriculture, and it isn't going to change the basic confusion that exists. I find the replies that have come from both ministers, in light of the tremendous exercise that they've gone through in saying that they don't really need to get the Legislature to approve the Estimates, their responsibility is to communicate it to the public, that they'd better figure out which figure is right and come up with a figure that is meaningful to the public.

Because I can only conclude that the press also probably goes by what is in the book here. What the Provincial Treasurer comes up and says on the floor of the House as a general philosophical dissertation does nothing to explain the actual difference of 100 people between these two departments. It doesn't explain a single thing. It may be fine in his ivory tower and his air-

conditioned office, but from a standpoint of finding out what's going on inside that government, and what kind of communication there is between those ministers over there, it's absolutely irrelevant.

So until we get an explanation that makes some sense, Mr. Speaker, I have to go by what is in the Estimates book -- what the Provincial Treasurer said. Because it's what's in here that is resulting, I assume, in the expenditures of taxpayers' money. If it isn't expending taxpayers' money, what on earth have we got it in here for in the first place?

MR. HYNDMAN:

Red herring.

MR. HENDERSON:

So when I hear the Minister of Agriculture stand up and say that we are misleading the House, that is completely wrong, Mr. Chairman. The government is misleading this House, and nobody knows what to believe about what they are saying.

SOME HON. MEMBERS:

Agreed.

MR. HENDERSON:

And I suggest if we have to stay here all year to go through and find out what the truth is, fine. With the big raise we got last year it would probably be a damned good investment. Because the people of the province are wanting to know what on earth is going on with the exploding bureaucracy in this government.

Fine, let's start out with the first appropriation, 1101, and go right through each one, and we'll get a detailed explanation out of the minister about what all this gobbledygook about what manpower equivalent is and whether it does or does not end up in an increase in the taxpayers' money.

MR. HYNDMAN:

We've got all the time in the world.

MR. MINIELY:

Mr. Chairman, I'll be very brief. The hon. leader insists upon not recognizing the difference between manpower equivalents and permanent civil service positions. I will simply say that I am confident that the kind of budgetary information that we have provided since we have been in office is a great improvement over what we saw in the past.

MR. HENDERSON:

I would ask the Treasurer one question. Is the figure he shows in this year's Estimate book for 1972-73 Estimates, is it expressed in terms of manpower equivalents?

MR. MINIELY:

Yes.

MR. HENDERSON:

And is the figure that is in for 1973-74 expressed in manpower equivalents?

MR. MINIELY:

Yes.

MR. HENDERSON:

And is that manpower equivalent resulting in an increase in the taxpayers' money in terms of people?

MR. MINIELY:

Yes.

MR. HENDERSON:

Well then, how on earth can you argue in terms of practical interpretation, 399 people being added to the department in terms of the expenditure of the taxpayers' money? Because by your own statement, they have been added.

MR. MINIELY:

The hon. Leader of the Opposition refuses to acknowledge that there are a great number of people working for this government who are on a part-time basis and are not full-time civil servants and are not part of the permanent civil service.

MR. HENDERSON:

They are still costing the taxpayers money, Mr. Chairman.

MR. MINIELY:

That's irrelevant --

[Interjections]

MR. HENDERSON:

No. It's not irrelevant. That's the basic issue we're going through.

[Interjections]

What on earth are we wasting this time going through these books for if its irrelevant?

MR. CHAIRMAN:

Order. Order. May we have order, please.

MR. MINIELY:

It's just plain policy.

MR. CHAIRMAN:

May we have order.

MR. HENDERSON:

Mr. Chairman, when the house leader over there, who never has anything to say ordinarily, sits in his seat and spouts off and is talking about going through the Estimates and determining the dollar expenditure and what it's for, that it's irrelevant, we'd better all pack up and go home.

SOME HON. MEMBERS:

He didn't say that.

MR. HENDERSON:

That's exactly what he said.

AN HON. MEMBER:

He didn't say that.

MR. HENDERSON:

That's exactly what he said. It's exactly what he said. There is no point in wasting anymore time in going through this because we've got all these self-appointed experts over here -- who I would point out represent only 47 per cent of the people of the province of Alberta -- that have decided that we don't need to question anything they do. They know all the answers. But I still come back to the people of Alberta who want to know what on earth the increase in funds are in the budget for?

And whether it is one man working six months the first part of the year and the second man working six months the last part of the year, it still comes out to what the minister says, the equivalent of one man and when you count through

that way you come up with 399 employees. I presume if you counted bodies, part-time bodies, you come up with a figure that is even higher. So I can't follow how his argument ends up by saying that there are fewer people involved in the payroll -- when he goes at it his way -- because the way I interpret there would be more people in actual fact, if you count part-time employees and name every part-time employee as full-time employees. So I am still asking the Treasurer and the Minister of Agriculture, where is the hundred men difference between last year and this year?

AN HON. MEMBER:

Hidden.

MR. CHAIRMAN:

Any further comments?

AN HON. MEMBER:

No answer?

MR. CHAIRMAN:

Are you ready for the resolution?

HON. MEMBERS:

No.

MR. RUSTE:

Mr. Chairman, I have a question I would like to ask the Minister of Agriculture and it is relative to vote 1121. Now with the implementation of the new crop insurance program in the Province of Alberta and the district covered, it is available to the farmers in that area, what happens if, say, there is a complete crop failure in a dry year, or there is a disastrous hail storm or a frost? Will there be any other provision of assistance over and above the crop insurance payments?

DR. HORNER:

I think the ideal solution, of course, would be to have a program which would be good enough, or that the farmers of Alberta would think was good enough, that we could get all farmers to take crop insurance. I think that crop insurance in a general way -- as I have said before, we intend to implement all of the major recommendations of the special committee -- crop insurance has to be dealt with, in my view, in relation to any stabilization program that the federal government comes forward with and should be related to that. So that in effect there is some sort of crop guarantee -- that would be a basic thing.

Certainly if we had had a more reasonable crop-insurance program in the areas that were hit this year, the need for extra payments would not have been there. That is not to say that in another year we won't require those additional payments, because it may well be that additional payments will be required. But I would think the ultimate aim would be to get a crop-insurance program which the farmers of Alberta would have faith in and would join on a voluntary basis to give them that sort of basic guarantee of a return on at least their inputs in agriculture.

I don't expect we will get that right away. I think it will take some time to have the acceptance by the farmers of the new program. The premiums have gone down very substantially with the agreement of the federal government to take over half the cost of the premiums. Therefore, and with the new recommendations that are being implemented as a result of the select committee, we hope the program will become more attractive to the farmers of Alberta and that eventually we will have all of them on it. Once we get to that stage I think that supplementary payments and other kinds of things that governments have to do in times of climatic disturbance will not be as hard. I would say the \$3 million we are paying out this year in relation to payments is a pretty substantial amount. The ideal is to get everybody covered by crop insurance.

MR. NOTLEY:

I'm sorry I wasn't able to be at the subcommittee during this particular appropriation's detailed discussion. What concerns me is the drop of 20.8 per cent in the appropriation this year. In view of the recommendations of the

Committee on Crop Insurance, I would think that our provincial contribution would actually be going up. I am wondering if you can advise us in detail why there is a drop this year?

DR. HORNER:

As a matter of fact it didn't require that much, but three or four years ago in the initiation of the Crop Insurance Program there were advances made from the general revenue of the province to the Crop Insurance Commission. A year ago we would have had a substantial amount that we could have given back to the Provincial Treasurer in a bookkeeping way from here. But the Provincial Auditor said that we couldn't transfer it back or just leave it in general revenue, but in fact it had to go back through the Provincial Auditor to pick up these previous advances. Therefore the amount that we had required, the \$1,500,000 that was in here last year, and the actual amount spent in 1971-72 reflect the pickup of the previous advances. We have now cleaned that all off and therefore even with a new program we require less to finance our portion of it. It is a bookkeeping entry that came from a few years ago when the program was initiated.

MR. NOTLEY:

Mr. Chairman, if presumably the government does proceed with all the recommendations of the Crop Insurance Committee Report, there would however be an increase in the 1974-75 appropriation, I would take it, if all these recommendations were introduced?

DR. HORNER:

Not necessarily. Really the Crop Insurance Corporation has built up a reserve, a substantial amount of money that they use -- and that is a reserve and we want to keep it that way. But the \$1,500,000 that has been voted in the last two years was enough money not only to run the thing but to pick up the substantial advances that the Provincial Treasurer had advanced to the corporation at an earlier time. And so I don't expect this to rise substantially unless we get a better participation, in other words if more farmers -- our administrative costs are going to go up, and I would think that that would be a nominal increase in relation to the number of farmers who are in the program, rather than any major increase in the appropriation.

MR. NOTLEY:

One additional question. I know this is an extremely complicated administrative thing to consider, but has there been any thought given to some sort of special differential rate or incentive rate in high-risk areas? Because right now our problem is that the highest-risk areas in the province are the areas where you have the least crop insurance.

DR. HORNER:

Well, I think that has to be considered and that we have to have a look at that in a real hard way, because I agree with the hon. member that the areas in which there have been difficulties in the past few years are exceptionally high-risk areas. One of the recommendations of the committee, of course, is to narrow that and also to get down to -- and this is where we hope to be able to move to -- the individual farmer's experience. You can't do that in a year and perhaps not even in two years because of the administrative complexities of it, but that is where we would hope to get to. However, I do agree that in the high-risk areas we have to have a special look at it.

MR. TAYLOR:

Mr. Chairman, I am not sure whether the hon. minister answered this or not, but if he did I didn't hear the answer. Under the new program, I think it was suggested that the federal government would pay one-half the premium and the provincial government would take the total administration. Will that program be in effect this coming summer, will it be on the acre basis and will it be based on the acre basis this year? Thank you very much.

DR. HORNER:

Yes. I assume the hon. members haven't received copies from the Crop Insurance Corporation of the new program. I will make sure that they are sent around. I thought that they were.

MR. CLARK:

Mr. Chairman, under vote 1121, I would like to ask the minister if he would outline for just a moment or two -- I wasn't in the subcommittee -- the plan he has for this year on the Commercial Weather Modification Program. It is my understanding that this is the first of a five-year pilot project, that it will cost about \$1 million in this first year and that there will be four planes involved covering the area from Red Deer to Calgary virtually out to Hanna -- that rectangle there? Then could I also ask the minister if he plans to bring in legislation to formalize the interim board that he has established this year?

Then I would like to ask the minister to once again give consideration to a point I raised at the fall session. That dealt with the question of an assessment four or five years down the road. You recall at the fall session, when we discussed the crop insurance report, that I asked you give some consideration to appointing someone on this interim board -- the permanent board was established -- someone who was not actively involved in the commercial hail suppression program; someone who, shall we say, would be fairly reasonable; someone who wasn't very enthusiastic about the commercial program. There are a number of people in that area now who were very much opposed to the commercial program, but who are now -- I think -- prepared to be rather enthusiastic backers of this kind of program with the government sponsoring it, and I commend you for putting the \$1 million in it.

I think if you could involve at least one of those people on your board, hopefully the provisional board, that when we get to the stage four or five years down the road, Mr. Minister, when we were doing an assessment of how successful the program has been, there is a lot better chance of carrying the judgment of people who have been so very much opposed to it. I have been through the mill for the last 12 or 14 years on it. So I would ask you to give a bit more consideration on that. I note that the people you have appointed on the divisional board -- and they are a good bunch of people -- are all pretty active supporters of the commercial program in the past. If you would add one more who perhaps wasn't quite as actively involved, I think this person would lend a lot of stature to the kind of assessment that we are going to get four or five years down the road. I hope that assessment is possible.

DR. HORNER:

Mr. Chairman, I would like to say to the hon. member that we have already added a member from the Canadian Meteorological Association and, of course, we do have the input.

What I don't want to do at the moment, if at all possible, is to rekindle the protagonists on each side. But I'm quite willing to consider that down the way in evaluation.

Insofar as the interim board is concerned, it is not our intention at this session to formalize it, but rather perhaps at the fall session or next year. I would hope by then we would have a better idea of who effectively can serve on the board in relation to -- as you're saying -- the people that can (I want to be careful how I put this) effectively evaluate the program because it has been contentious.

It is my own view that we have gone through a lot of experimentation and argument. I think it's important enough to spend the money and then evaluate and see whether or not, in fact, modification is worthwhile or not. We welcome any suggestions from members in the area as to how the program is going. Again, I would ask for cooperation so that we don't get back into the protagonists for and against.

MR. BUCKWELL:

Mr. Chairman, I just wanted to ask the minister about areas in which you provide relief for those who have been unable to get their crops off. If they do try to harvest this spring, by the time they get their crops in they will probably be frozen again next fall, it's one of those things. Realizing that some of these people have had a pretty rough time of it over the last two or three years and haven't been able to pay their taxes and things. Could the government consider paying their insurance for this year so if something did happen -- you are taking a calculated risk -- you might be in the same position next fall, laying out another \$3 million. Maybe a half a million dollars for this spring might save you a lot of money in the fall.

DR. HCFNER:

That might be a pretty good suggestion. I guess my hon. friend knows that hope springs eternal in the farmer. He's hoping for a good spring, then a wet June and a good fall to get it off. And hopefully things will restructure themselves with the help of mother nature.

The idea isn't a bad one and we'll have a look at it.

MR. CHAIRMAN:

Any other questions? Mr. Notley.

MR. NOTLEY:

There is one point that I want to raise under Appropriation No. 1102. It concerns the Farmer's Advocate which, by the way, I agree is an excellent move on the part of the provincial government and a move that merits congratulations.

I also feel the choice of a person was a good one and I know that in the case of several constituency problems which seemed insoluble, I've taken them to the Farmer's Advocate and he's done an excellent job. My concern though is, in the Estimates committee I asked you about the Farmer's Advocate's salary, and you mentioned between \$14,000 and \$17,000. I'm not here to try to narrow it down, but I was a little disturbed that it's at that level. It seems to me we should be looking at a somewhat higher salary, because if the position is to have the stature which I believe it should command, then it's my judgement it should be somewhat higher than that particular range which is somewhere in the neighbourhood of what many of the executive assistants receive, and I think it's a higher, more important responsibility.

The other thing that disturbs me a bit is whether or not we have nailed down the terms of reference sufficiently well, so that the Farmer's Advocate can, in fact, do the job within the department. I am a little concerned there will be the tendency within the department -- this is true of any department -- to try to smother him with bureaucratic love. I would hope we could make sure he has sufficiently clear guidelines so that he can tramp on the toes of everybody when their toes deserve to be tramped on.

MR. CHAIRMAN:

Mr. Minister.

DR. HORNER:

Well, Mr. Chairman, just briefly, the position is being reviewed in relation to salary and the hon. members may be interested in the tremendous amount of calls he has had, ranging up to 78 in a day -- the number of rather bad situations that have been going on for years that he has been able to reach some conclusion on. We've been very pleased with the effect so far. The guidelines I have given him are that administratively he is responsible to the Assistant Deputy Minister in charge of the Family Farm Division so he has a direct route to the Minister, to make sure he can, in fact, deal with errors within the department itself.

MR. CHAIRMAN:

Mr. Notley.

MR. NOTLEY:

Will there be moves on the salary question within the next few months to bring him up to a higher status?

MR. CHAIRMAN:

Mr. Clark.

MR. CLARK:

Mr. Chairman, I wonder if I could ask the minister about Appropriation 1132. In the last few days, the minister made an announcement in the House with regard to bringing dairy cattle in from eastern Canada. At the same time, the minister made reference to his interest in the question of export of dairy cattle from Alberta to Russia, Japan and that general area. My question then centres around this question of a presentation that was made to the minister, I

believe a year ago or perhaps a little more, by, I think it was representatives of the Edmonton-Calgary Milk Sheds, with regard to the supervised testing program in the department. And the problem as I understand it centres around the fact that the present supervised testing program in the province is really not recognized by the federal government and therefore is not acceptable as far as export of Alberta cattle. As the minister is nodding, I assume he agrees with me on that point.

The second point is this -- this relates especially to the Holstein breed itself -- if in changing the testing program it can be upgraded in such a manner so that the program is rather acceptable to the federal government and then it would be to that association. As I understand it they are looking at upgrading of the grade cattle themselves. If they are backed up by acceptable records over a period of time, these cattle, I think, have tremendous possibilities for export, especially to Russia.

I recognize the proposition was put to the minister of the department a year ago, and upon checking with people in the department not so long ago, it is my understanding very little actual progress has been made in moving on this particular testing program. So, in light of the export opportunities available, I think the sooner we can move on this program the better it will be, and get more money in the hands of ... [Inaudible]

MR. CHAIRMAN:

Mr. Minister.

DR. HORNER:

Mr. Chairman, as a matter of fact, as I understand it, our dairy industry people would rather have our DHI program than the federal one and we have resolved the conflict between ROP and DHI, that is, from the federal point of view. We are hopeful. As a matter of fact, there are meetings scheduled in the next two or three weeks on this particular point. Because the hon. member is quite correct, the future for export of dairy cattle lies substantially in the grade area if we have proper records with which we can back up their production.

I might say the reason it hasn't moved as fast as we would have liked it to, is because of the conflict between the federal and the provincial program. But as I understand it from the Dairymen's Association -- and I met with them just last week -- they would want us to try and convince the federal government to accept our program, or at least most of the components of it.

MR. RUSTE:

Mr. Chairman, first I just wanted to make a comment on 1102 where the Farmer's Advocate was discussed. I can't help but look at his position in the farming industry as somewhat similar to what our Provincial Ombudsman is in, and his salary, of course, is up in the \$30,000 bracket.

Now I'd like to raise another question at this time for the minister, and I'm talking from memory now and I'd like the minister to correct me if I am wrong. Sometime earlier it was late last year, I believe it was, where there was reference made to the public market where farmers were being prohibited from dealing or exhibiting stuff there unless they met certain requirements under refrigeration and so on. I believe the hon. minister had said something to the city, and then the city came back to the Minister of Health and Social Development. I would just like to ask the minister if this has been reconciled now, and are the people who are using the public markets happy?

DR. HORNER:

As far as I know they are happy, Mr. Chairman. We were able to get for them some used refrigeration equipment at very minimum cost, and so they are now meeting the Board of Health regulations and are happy and the costs were minimal.

This, as a matter of fact, came from some of the supermarkets that were closed down and where the refrigeration equipment was available. We were able to put the people who were involved in touch with the right people and they were able to buy it very, very advantageously.

MR. RUSTE:

Were there any producers who because of even that cost, weren't able to continue there?

DR. HORNER:

Not that I know of.

MR. SORENSON:

Mr. Chairman, I have some concerns on Appropriation 1144. It's meat inspection. I have a number of small meat markets in my constituency and they seem to be quite fearful of meat inspection. Do you anticipate any abattoirs having to close in 1973?

DR. HORNER:

I don't anticipate any abattoirs having to close. Our approach would be one of trying to educate, improve, and point out the advantages to them of upgrading their premises so that they would be able to expand their market opportunities.

The idea is not to put anybody out of business, but rather to improve their business and improve the quality of meat that is available to Albertans.

MR. WYSE:

Mr. Chairman, I'm not sure which Appropriation -- it is possibly 1104. How many dollars are allocated to the agriculture exhibitions this year in the form of grants?

DR. HORNER:

Beg pardon.

MR. WYSE:

Possibly under Appropriation 1104.

DR. HORNER:

Right, yes. The exhibition grants are substantially the same. The grants to Edmonton and Calgary are \$100,000, Lethbridge is \$75,000, Red Deer is \$75,000, and Medicine Hat is \$55,000.

MR. DIXON:

Yes, Mr. Chairman, I'd like to make a few remarks to the hon. minister. I was quite impressed with his record of going around the world looking for markets, but I wondered if he paid attention to the market south of us because apparently there is a greater change taking place in agriculture in the United States than in any other country in the world.

This year they are going to put 40 million acres more into production and cut down over \$1 billion of subsidy to the farmers with the idea of getting more production in hopes that the food prices will drop.

And as city members, of course, we are concerned with the cost of food. We're probably getting more letters on that than a lot of other things we are doing here as a government, both federally and provincially.

I was wondering, with the increasing price of our farm products, maybe the hon. minister could enlarge a little on the need for marketing boards. I think naturally, following higher prices the farmers won't be as anxious to be controlled by marketing boards as they would naturally when times were a little tougher for them. And I was wondering if the department has any forecast on the future of marketing boards in Alberta, in particular in the next few years. And I was wondering what research has been done and how the American market, which is going to have the greatest effect on the Canadian market than any other country in the world, is going to affect agriculture. Because when you think of 40 million acres that have been put into production, it is almost equal to all the arable land in our province.

DR. HORNER:

Well, the hon. member is correct, of course, that again we have to be aware of what the Americans are doing. That's part of our market intelligence operation. Because it becomes very important, particularly to us here in Alberta when we are on a North American market. I think there will continue to be major opportunities for us in the American market, particularly in the meat

area, because they are the largest importers of meat, of course, of any country in the world.

We would hope for, and as a matter of fact are now looking at, forward contracting into the American market in relation to hogs. The Hog Board has put in a lot of work in relation to forward contract.

We would hope that our other marketing boards would also be looking at forward contracting so we can say to our farmers that down the road there are going to be those markets, they are there and they are pinned down.

I don't have any forecast with regard to marketing boards other than to say this. I think that they have done an effective job and can do an effective job. We have encouraged them to be much more market oriented rather than just a matter of regulation. I think this is important. All of them are working with our home economists in commodity development and in the development of products from the particular line in which they are involved.

The marketing council has had some hearings with regard to the vegetable industry. They hope to rationalize that and to have some recommendations for me in that area.

We intend to review the operations of the Egg Marketing Board to see if we can improve it, particularly as it affects the smaller producer.

I can't, as I say, give any further forecasts with regard to marketing boards. I think they are a useful mechanism, but they are only one of the mechanisms that can be used effectively to handle farmers' marketing. And perhaps eventually, if I could forecast, I would see down the road a combination of forward-contracting marketing boards and government direction, with the government acting as a catalyst more than anything else.

I might say with regard to food costs that we will be appearing before the House of Commons Food Committee, and once we have appeared, we will be tabling our submission in the Legislature here in that regard.

MR. DIXON:

One further question. I wonder if you would enlarge, Mr. Minister -- I was talking to an official of one of the largest packing houses in Canada, and they claim there isn't the hog surplus to export. I wonder if you could bring myself and other members up to date on the hog marketing situation in our province, regarding surplus hogs.

DR. HORNER:

There is no surplus when you have got \$50 hogs. There is no surplus. We don't want to get in the position again where we produce hogs, and then we have a surplus and the price goes down. If you are asking me to lower the price of pork then you are asking the wrong person, because I think, as I have said before, farmers are entitled to a fair return for their investment and labour.

With regard to the question in relation to where we are in marketing, again I promised the members of the subcommittee I would make available to them the provisional contracts of the Hog Marketing Board and the forward-contracting concept they have developed. And I think it is a very important one because what we are saying in effect is that we want to increase production; but we want to increase it for a defined market so that we don't get into a situation in which we keep pushing people in and out of the hog business without giving real effective help to the guy who stays in. But I see it down the road as forward contracting and producing for markets that are defined.

MR. DIXON:

Mr. Minister, my final question then would be in another final question brought about by the statements made regarding your appearance, or the appearance of someone from your department, before the Food Consumer Committee in Ottawa. Is your position basic? Basically I suppose your position is going to be from an agricultural point of view, or is it going to be taking in not only the producers, but also the consumers of Alberta?

DR. HORNER:

Mr. Chairman, I want to stress that we are very much concerned with the consumers and their ability to get good, nutritious food at reasonable prices. Again, and I don't want to get back into that hassle, but we have a substantial

consumer support group within the department made up of home economists whose job is, in fact, to do some of the things brought out that will help to cut down the housewife's food budget, without a major sort of recession in farm prices.

Without going into it in a lot of detail there are a number of factors that are involved, of course, related to food costs that are not related to farm production. They are related to wages in the secondary processing industry, wages in the transportation industry, wages in the retail industry, overhead costs of all of those industries that are involved in between, the demand for packaged foods, the life-styles that some of our people want to live -- all of these things have some effect on food costs.

We think there are interesting ways in which you can help to alleviate some of the burden of high food costs, particularly to people on fixed incomes. We will be suggesting some of those ways to the House of Commons committee.

MR. NOTLEY:

Mr. Chairman, I wonder if we could go back to marketing boards again. My understanding, Mr. Minister, is that over the summer of 1972 there was some discussion among the three provincial governments over the establishment of a central agency to market hogs. I wonder if you are in any position to advise us of what the status is of those negotiations, and what the position of the government here is, particularly.

DR. HORNER:

We're willing to work very closely with the other marketing boards and, providing our producers accept, to work to what you call a one-selling agency. The delay has been, as a matter of fact, in Saskatchewan setting up its marketing board. They have now done that and we will be continuing our negotiations on both the ministerial level, and also on the Hog Marketing Board level itself. The Alberta Hog Marketing Board has had extensive discussions with the Manitoba board and will be holding discussions with the new board in Saskatchewan.

MR. NOTLEY:

Back to the question of negotiating with potential customers overseas -- is this done directly by the board, or is it done through the packing houses?

DR. HORNER:

In Alberta? It will be done through the board, and the forward-contracting concept will be through the board.

MR. NOTLEY:

I have just one final question and it relates to the structure of the board. Last fall one of the members of the district board in my area brought to my attention a suggested change in the structure of the board itself. At the present time producers elect the members of the board in their different divisions and the proposal which had come before them was the proposition that instead these people be elected at annual meetings of the representative groups within each of the divisions.

I'm wondering whether or not any decision has been made with respect to that change, because it seems to me that it's important that we retain the principle of direct producer control if at all possible.

DR. HORNER:

There is not even a thought of changing the producer control of the board. But the producers themselves had a look at the set-up and wanted to change it, and have changed it into nine regions. The question of whether or not they should elect the delegates-at-large or the directors-at-large from the delegate body or whether the directors should have to run in his area was the point in question. The marketing council, which oversees the marketing boards, felt that this was a major change in the plan and should have to be through a plebiscite by the producers to get that change. That's the way the situation is at the moment. It will be voted on at the re-elections that are coming up very shortly.

MR. NOTLEY:

-- I can ask for notification. The marketing council has not taken any position on this, it's just going to be completely up to the producer?

MR. RUSTE:

This is on vote 1171 and it gets back to the one dealing with the Agricultural Development Corporation and loans. Now under the Farm Purchase Credit Act there was a group insurance policy that covered the borrowers from that fund. I am just wondering if the minister wouldn't look at some type of an insurance policy on a group basis and I think that in those cases you will find the premium is cheaper than on an individual base.

I think we had delivered in our boxes earlier this session a group policy that the government has seen fit to take out on on the MLAs as a group rather than individually. I would like to suggest that you consider this; a group insurance policy that would be available to the borrowers so that we will say, where a breadwinner is killed or an accident happens or something like that his family has a coverage, not left just wide open.

DR. HORNER:

I think that as a subcommittee we are looking at a proposition in which we could provide self insurance, in other words, we would ensure them through the department ourselves. It might be less costly than paying the premium to anybody.

MR. WYSE:

Mr. Chairman, I would like to ask the minister what appropriation The Alberta Grain Commission is under and how many dollars are allocated?

DR. HORNER:

It would be under the Plant Industry Division 1122. I can't, at this particular moment, give you the exact cost of the Grain Commission but I can make it available.

MR. CLARK:

Mr. Chairman, I wonder if we could just look back at 1132 once again. Mr. Minister, do you have included in there provision for a number of supervisors?

DR. HORNER:

Yes.

MR. CLARK:

You do. Do you have the figure there, how many?

DR. HORNER:

No, I haven't got a figure with me; I can get it for you.

MR. CLARK:

Thanks.

MR. CHAIRMAN:

No further questions?

MR. DRAIN:

Getting back to the American market, is it correct that there is an American import quota on Canadian meat, and is this quota being filled at this time?

DR. HORNER:

The Americans have removed all the quotas on the importation of meat from any place because of their inability to supply their own market.

MR. NOTLEY:

Just one question I would like to ask the minister, Mr. Chairman, relating to the whole marketing thrust. Has the government given any consideration to the question of what happens to our marketing efforts elsewhere in the world if the value of the Canadian dollar was to go up rather sharply? Because at the present time we face that as a very clear prospect, and it seems to me that it is going to jeopardize much of our action in the agricultural field in the three prairie provinces. I am just wondering whether or not you have considered that.

DR. HORNER:

That, of course, is a major consideration in the entire area. The recent financial manoeuvring that have been going on in the world monetary situation in fact have helped our marketing thrust in relation to the revaluation upwards, particularly of the Japanese yen.

Some of the really major problems of developing markets in South America have to do with the currency situation in those countries and we are trying to develop ways in which we can overcome them. But it certainly has to be a factor, a factor that all of us in western Canada have to be very concerned about because it could put us into a major situation.

But again, with forward contracting, with built-in clauses in relation to this, it relieves a lot of the danger of that.

MR. RUSTE:

Mr. Chairman, dealing with vote 1175, The Farm Implement Act, and more specifically to page 31 in your annual report that was just tabled the other day. There is a reference here to a dealer evaluation procedure has been completed and is ready to be implemented. Could the minister fill us in a little more on that?

DR. HORNER:

What we have done is to evaluate the dealers in Alberta to give us an overall assessment, first of all, of the kind of dealers we have and I felt we had to have that before we finalized changes to the act which we are bringing in at this session. We would hope that the changes will reflect some of the conclusions that we got from that dealer evaluation as well as input from the new Farm Machinery Appeal Board and their relationship.

I might say that down the road we would like to see developed -- and we will be negotiating with Saskatchewan and Manitoba so that we have almost identical legislation with regard to farm implements in the three prairie provinces. I think this is important to off-set the international machine companies and to have consistent legislation in western Canada.

MR. BUCKWELL:

Referring to that question to the minister, this was the questionnaire I asked you about in the sub-committee where they've got to 60, and I have had some smaller dealers realizing of course, that in a small town every dealer can't be up to say, a minimum standard, but they do serve a useful purpose. A lot of them are concerned, particularly in towns of 500 or less, that these dealerships are going to close out and they will lose whatever little bit of business they have got. I am just wondering if you would comment on that.

DR. HORNER:

I would hope that amendments to The Farm Implement Act will add in some exemption for the smaller dealer.

MR. RUSTE:

Further to that then, there is reference here to a Prairie Agricultural Machinery Institute, I believe we had it at the last session. Will there be changes in legislation this year to provide for some of the implementation of that at this time?

DR. HORNER:

Not at this time. I haven't had a response back yet from the federal government.

MR. MANDEVILLE:

Thank you, Mr. Chairmar. I would just like to make a few comments on Vote 1103 and 1104, Agricultural Research, and Miscellaneous Grants.

I think this is an important part of our agricultural program and I would like to see possibly more money spent in the area of spending this research money on these grants, giving them right to the industry. I think one particular industry that I have in mind in that area, that is Tyrol Dehydrators that was set up by 50 farmers. They are making a wafer and it is the first in Canada. They have spent a lot of money on research on this and they have established and explored markets all over the world, I might say. If some of this money could be spent, or more money could be spent as far as research, I think it would be very beneficial in these areas.

I think that one area that would be very helpful to stabilizing the markets for this product would be to set up a hay bank scheme in the province and I would think even right down in that area. It would certainly help to stabilize our markets. They are growing approximately 9,000 acres of hay this year, contracted 9,000 acres which is certainly stabilizing the hay markets, I would say, in the entire province. There are other plants that are thinking of setting up so I would hope that the minister would take a good look at giving some more assistance right to the industry themselves.

Just before I sit down I would like to convey the appreciation of the potato growers in this province, from the Potato Association and the Potato Commission, on the guaranteed potato loans that were made available. They have certainly been of great assistance to the potato industry and they certainly helped. They came at the right time when the potato industry situation was facing serious problems. In my particular constituency I think there is almost three-quarters of a million dollars of guaranteed loans and they have certainly been a big help to the industry in that area. I don't know whether that is the exact figure but I know I have been working on a half a million dollars worth of loans myself and I know there are other loans in my constituency. I would just like to bring the appreciation from the potato growers of the program.

DR. HORNER:

We appreciate that from the hon. member. The potato outlook is much better and we hope that it will continue to be so. We have some concerns with the recent move by the federal government in relation to tariffs on horticultural produce. We have made our representations along with British Columbia in that area.

In regard to -- I refer the hon. member to vote 1122 in which there are funds for a fodder bank pilot project. In case anybody isn't aware, what happened was that all of the pelleting and cubing plants in Alberta this year didn't have anything left over to sell. When we tried to make some pellets available for the Peace River country there just weren't any available. The price of dehy -- either sun-cured or rape or cubed -- has more than doubled within the past year. The interest in dehy plants has become very substantial. There are a variety of reasons for it and it has to do with the general shortage of protein throughout the world, and also has to do with the energy crisis in the United States and the question of use of high-priced land in growing alfalfa when they could be growing other specialty crops at a greater return. So we are the process right now within the department of reviewing the entire situation, and I would think that by the end of next year we could have ten plants on stream.

I might add that we have made money available to newly-formed associations of the Alberta Alfalfa Processors and we have asked them to get in touch with the Saskatchewan group and to work with that Saskatchewan group in the marketing end so that we, in fact, aren't being split off and isolated in our sales program. That has worked very well and I have had a lot of communication with the Saskatchewan government in that area.

We are going to be making some money available for research in relation to cubing and the combination of cube product, in relation to alfalfa and if we can get some rapeseed meal that we can put in there that would also be part of it.

But the question of formulated feeds is very important in relation to the whole system.

MR. SORENSON:

Mr. Chairman, agricultural societies are in Appropriation No. 1174, and many towns and villages are rushing in on this program and many more are inquiring. I'm just wondering if the minister envisions any changes in regulations or tightening up at all on this program?

DR. HORNER:

Would the hon. member want me to tighten it up?

MR. SORENSON:

No.

DR. HORNER:

I might say in this area that we feel agricultural societies are the one organization in rural communities that can bring together the towns and the farmers into an organization in which they can work together for the betterment of the entire community. That is the major thrust behind our program in provision of capital grants for multi-purpose buildings. If there are any hon. members, of course, who feel it isn't a good program for their area I would appreciate knowing about it.

We have worked with the Department of Culture, Youth and Recreation in relation to the ability of the communities to support these multi-purpose buildings, and have an ongoing relationship with that department in relation to the entire program.

MR. NOTLEY:

Mr. Chairman, just further to the comments that the minister made about commercial alfalfa processors. I'm just wondering where we stand on their request on special freight rate considerations. We've all had letters from the provincial organization dealing with the request. Where do things stand on that?

DR. HORNER:

One of the reasons, of course, in encouraging the processors to get together in an Alberta organization and then to work closely with the Saskatchewan one is to give them some power to deal with the transportation companies in relation to rates. And, of course, then we are fitting into the entire transportation policy of my colleague the Minister of Industry. I would suspect this would be a major point in relation to the western conference. I haven't had an opportunity yet to talk to the new chairman of the Transport Committee in the House of Commons, but I intend to.

MR. RUSTE:

Mr. Chairman, referring to Votes No. 1160 to 1167 dealing with Extension and particularly CANFARM, there was a letter to the editor that came to my attention in the Country Guide issue of January, 1973. It was entitled Bureaucratic Blunder, and I'm just going to quote a part of it. I bring this up now because I would like to have the minister comment on it. It goes as follows:

We have been exposed to the enthusiastic build-up of CanFarm the past few years. Now it is time this bureaucratic blunder was put into proper perspective.

I have yet to talk to a farmer-oriented chartered accountant who doesn't absolutely abhor the system.

Then he goes on to say: "My own experience with it is bad, too. Our farm went into CanFarm in 1968. I left it the same year when confusion reigned supreme." And he goes on further. I would read it if necessary, but I believe that the minister is probably aware of it. I would like to hear his comments.

MR. CHAIRMAN:

Mr. Minister.

DR. HORNER:

Mr. Chairman, I would suggest that the hon. Member read in the, either - anyway, in a more recent issue of the Country Guide, I think that letter is answered, and pretty substantially.

I don't suppose that you are ever going to please everybody with this kind of accounting program. It is a federal program in which they provide the inputs and we provide the counselling. And it is a computerized program and which they can get a great deal of information out of. I suppose that it is like a lot of accounting systems. One has to understand it to get that kind of information out of it. Certainly it is a program that if people work with it they can get tremendous amount of information as to their cost analysis and where they are going.

MR. CHAIRMAN:

Mr. Ruste.

MR. RUSTE:

One further question on that. Have you as a minister received any complaints on the CanFarm System asset?

DR. HORNER:

No.

MR. CHAIRMAN:

Mr. Strom.

MR. STROM:

Mr. Chairman, before I raise the two points that I want to touch on, I would like to say the same as my hon. colleague from Bow Valley constituency that I appreciate what has been done in my area by way of guaranteed loans to potato growers and others who have had difficulty with outstanding bills in that they have been able to consolidate the bills under the new program.

One of the concerns that I have in it, in looking back, is that the very fact that they have had to consolidate their debts, must be an indication that there was ample credit for them at one time, and they may in fact have had too much credit and it got them into the difficulty that they are in today.

I hope -- and I am sure that the hon. minister is doing everything that he can to try and protect the individuals -- that the consolidation is not simply a forestalling of the evil day of reckoning as far as them getting themselves into trouble with their debts. Because I am sure that a problem that agriculture has faced down through the years is that during times of easy credit, they have got themselves into difficulty simply by being over-extended. And I am sure that it is going to be a matter of concern even though agriculture does look pretty good at the present time.

Tied very closely to that of course, is the suggestion made by the hon. minister that the department will be encouraging young people to get back into farming. I'm not opposed to the program but I want to point out what I believe, can be difficulties that will be involved in such a program. All I have to do is refer to my own family, if I wanted to take it as an example, having a young son who grew up on a farm, spent a number of years there, and has a romanticism about the operation of a farm relating to his young years and the farm. He very suggests to me that he would like to get back into it. I cannot help but point out to him that, after having spent a few years on a job where there are regular hours and a regular paycheck, he would indeed have to make a very great adjustment if he were to go back into farming.

I say that if there is a dedication to farming on the part of a young person, he may well be successful, but if on the other hand he recalls some of his good days on it and does not have a good assessment of the problems he will have to face, he can be in a great deal of trouble. And I think that the department would only be fair if it were to try and point this out - particularly those who are going to go back. I'm not arguing the policy or the program at this point. I'm simply saying that I would hope that these are some of the things that the department would keep in mind when trying to encourage young people to go back into farming.

The other point that I wanted to raise, Mr. Chairman, deals with the matter of decentralization. I would like to know from the Minister whether it is intention of the government or his department to move other branches out to other towns and cities other than the Agricultural Development Corporation.

Now here again my view of decentralization is not merely of scattering various branches throughout the country, but rather of giving greater responsibility to people at the local level to take care of their problems themselves rather than having government do it. I think that is the kind of decentralization we should be giving a lot of attention to in the years that lie ahead.

But I have already at this point had a concern expressed to me by one of my constituents who suggested that if they were making a trip to Edmonton to deal with a certain problem involving a certain department, and then hope that he would be able to carry out all his business that he had while in the city, that he could see some real problems developing if he were to be told that he would have to go out to Camrose to deal with the Agricultural Development Corporation.

I'm wondering how the minister is proposing to establish communication lines or other arrangements that will minimize the problems that will arise as individuals come to the city. Because I see that as a problem that will actually destroy any advantages of decentralization cost-wise, simply by adding a cost to government by being decentralized in that manner, plus the fact that individuals who have problems arise will have a greater cost simply because there is a scattering of branches within the various parts of the province.

I would be interested in the minister's explanation as to how he expects it will now operate with the branches placed in outlying regions.

DR. HORNBER:

If I could just respond to the latter part of the hon. member's query first.

I agree there are two forms of decentralization. One is to have your people in the field with additional authority. Secondly, the question of decentralizing offices is also being considered for other areas of my department because I view, that with modern communications surely that really isn't a problem. The question -- you know -- used to be in the old days that you could drive into Edmonton when it was a much smaller city and get several things done in one day. Today if you can drive in here and get one thing done you are very fortunate because of the traffic -- because of the very nature of the kind of thing that is involved.

In addition to that, I think there are other things that have to be considered in relation to whether or not you can congregate all of your agricultural people within a metropolitan area. I think these people have to be, in my view, in an agricultural setting to get the feel of the people they are dealing with in a much better way than they have in the past.

In relation to the question of farm credit, and the question of consolidation. I refer my hon. friend to the Economic Council of Canada in the last two years in which they have made some comment in regard to the ability of Canadian farmers, and western Canadian farmers as well, in their ability to produce, and that we were 30 per cent behind our friends in the United States.

We then go on and there are supplementary reports by the Economic Council of Canada to point out very clearly that the major reason we are behind is because of the lack of available credit in agriculture in Canada, that lack of credit started in 1967 and accelerated over the next three years so that there was a great deal less money available for agriculture in '68, '69, '70, and part of '71. Whether it was a conscious policy of the financial institutions I'm not prepared to say, but it is a fact that it happened and was substantial. There were billions of dollars less available for farmers in Canada in relation to their credit needs, and I think this is a major factor in what happened to a lot of our farmers in regard to their debt.

There is the other factor, of course, in relation to over-borrowing, the cash flow isn't there and then you are into a situation.

I might say I have had occasion to meet the hon. member's son who is involved in agriculture, and he, I am sure, is aware of the problems because he is doing a very good job with the Farm Credit Corporation. So we are aware of the credit problems, but I still believe very strongly the shrinking of credit to agriculture in Canada caused part of our problem in relation to our ability

to produce on a per capita basis. I think we have to look at credit as one of the inputs to agriculture and it is a cost factor that has to be there. I think a lot of times our farmers have not appreciated that it is part of their cost, and they have to consider that very carefully in their cash flow analysis. I can't say anything further than that.

Any further decentralization by branches, et cetera will be done on a staged basis with plenty of forewarning and plenty of consultation with the people involved. I think there are very compelling arguments to do further decentralization on a branch basis.

MR. SORENSON:

Getting back to 1103, the Kinsella Research Station, do they answer to the minister, this research station?

DR. HORNER:

They provide us with reports. They are under the direct supervision of the University of Alberta.

MR. SORENSON:

I know last year they burnt, I guess, hundreds of acres and the Fish and Game Association in my area was just wild. They burnt these fields in nesting season and I was just wondering if they answer to you.

DR. HORNER:

I am aware of the problem.

MR. DIACHUK:

Any further questions? Ready for the resolution?

MR. HENDERSON:

Mr. Chairman, I would like to take a look at some of the appropriations and get a detailed explanation to try to find the difference between the figures that are in the Estimates book and the figures the Minister of Agriculture was quoting. It's not a case of of 5 or 10 error in arithmetic, or faulty addition. When there is a difference of this magnitude between the two sets of figures, they have to be explained. And so, in light of the discourse that has gone on to date I presume the only way to find out what the answer is, is to take some of the appropriations and look at them.

So I would like to start by looking at 1105. And I presume it says there are 27 permanent employees in the 1972-73 estimates. And I understand that is according to whatever way the Treasurer has revised them. It is not the way they were in the original Estimates. They may or may not be the way it was in last year's Estimates book and he shows an addition of one permanent employee. Down below it, he has the addition of two wage positions. And I conclude the difference in the arithmetic relates basically to the wage positions.

What the minister is saying, is that represents the equivalent of two man-years of work -- or does it represent two people? It's two man-years of work.

And so, if one wanted to take and count bodies -- and I think this is what the Minister of Agriculture is doing -- and counted the number of people who may be involved in that two man-years of work, he might have four people working one-half year and come up with two man-years of work. And you come up with a higher figure than what's in the Estimates book.

So the way I interpret it, is that there is money in the Estimates to cover the equivalent of two wage earners working for one year. All right, when I go through and add up those estimates, taking that into account on that basis, and I presume where there is a blank on 1105 there either were none in that particular position last year -- no wage positions -- and so in terms of money that is provided in the budget funds, there is money in the budget to cover the addition of in the order of 390 to 400 man years of work.

And whether 300 of them are permanent and the other 100 or 90 are made up of people -- 99 or 100 -- just using a round figure, are made up of 500 people that are all working one-fifths of a year in terms of the cost of increase of administration for the taxpayers of Alberta, the Department of Agriculture Estimates have provided for 399 man years of work. I assume that if they are on

here, it is costing the taxpayers money. If it isn't costing them any, I couldn't care about it. But when the Minister of Agriculture stands up and says no, he doesn't have money in his Estimates to take care of an increase of this number of people, the minister is misleading the House, because he is only talking about the number of permanent employees the way I interpret --

MR. CHAIRMAN:

Order.

DR. HORNER:

I didn't say what the hon. member just said. I said that the total staff establishment in the Estimates allows for an increase of some 300 positions. That's what I said.

MR. HENDERSON:

Then may I suggest that the Minister of Agriculture take and add up the Estimates, because either he or I do elementary arithmetic differently. When I take the permanent and temporary positions and the difference between the 1972-73 and the 1973-74 Estimates, and go over them page by page, I come up with a figure in the order of 399. I'm quite prepared to say there might be an error of plus or minus 10. And when the minister says he isn't adding to the cost of the taxpayers, if he's talking in terms of people and wants to talk the total numbers, then the wage earners are only working -- as I said, in Appropriation No. 1105 we might have four people working six months. So he's got in his Estimates in terms of employment, in terms of man years of work, 400 positions. And when he stands up and says he is only adding 300 people to the payroll, somebody is wrong or I don't understand what the Provincial Treasurer is telling me.

So I'd like to get it straight whether my understanding of this is right, because it is the question of the cost to the taxpayers of Alberta that we are talking about. If somebody says it is just people we are talking about, it isn't. It's the cost to the taxpayers, and we have in this department, according to the way I add it up, a 399 man year addition to the work force and there is money in the Estimates for it.

DR. HORNER:

That's right.

MR. HENDERSON:

Then what's all the nonsense about saying that I am wrong, and the minister stands up and says 300 people are all he is adding to his Estimates? I'm not arguing whether the increase is justified or whether it isn't. Try and bear that out. We'll leave that to the public to judge. I don't pretend to have the competency and all the things the minister is working on to judge personally whether they are or whether they aren't. But it is relevant to this budget exercise to get straight and to get on record the increase that is in these Estimates, the cost to the taxpayer of Alberta, and whether it is represented in terms of exploding bureaucracy in this government.

If my arithmetic and the way I interpret it is wrong, I'd like the Provincial Treasurer to tell me where I am wrong and tell me why the Minister of Agriculture gets up and says he is only adding 300 people to his department, when in terms of employment -- he's got the opportunity in some cases, he can divide it up into four temporary positions for three months. That's his decision, and that's academic to me. But that actually adds up to one additional position in terms of cost to the taxpayer. That's the way I interpret it. I therefore submit, Mr. Chairman, that if the Minister of Agriculture stands up and says he has only got money in there for 300 people he is not correct, if I correctly interpret the statements the Treasurer has made in this House. If I am not interpreting them correctly, using this appropriation, I'd like an explanation of where I am wrong.

DR. HORNER:

Mr. Chairman, again, the hon. gentleman can use words any way he likes. There is in these Estimates money for 399, or whatever figure he quoted, man years of work. I said, and I say again, we are increasing the total staff of the department on a permanent civil service basis by approximately 300 jobs.

The balance in every department prior to 1971, for instance, was 447 wage positions. These have been gradually cut down but summer employment programs to 1971, for instance, there were 447 wage positions. These have been gradually cut down, but we use them in summer employment programs in the veterinary field situation, in the veterinary ... one in the dairy position, and a lot of them in marketing intelligence. The question of using people at the appropriate time of the year, but particularly students in the summer time, is a major one and accounts for this proposition in a major way. But the question of equivalent positions in manpower years is the question -- the other area where we use a fair amount of manpower years is the use of the patients at the Oliver Hospital in relation to the tree farm and the horticultural activities there. They are all included in the manpower equivalents.

MR. HENDERSON:

Mr. Chairman, there are 99 wage positions in the Estimates. That's all I wanted to get straight, Mr. Chairman, that in the estimates there is provision for an increase in the overall manpower increment of 399 man years of work, not 300 as the Minister of Agriculture previously said.

MR. MINIELY:

...that we just put this in context because earlier the hon. leader asked me whether the figures in the 1973-74 estimates were manpower equivalents, and I said yes, and whether the figures in the 1972-73 estimates were manpower equivalents, and I said yes. But, Mr. Chairman, what is important is that there have been several occasions in this House since the session started when these were compared or when statements were made relevant to civil service positions.

Mr. Chairman, it wasn't the practice of the former government to include wage positions as increases in the civil service. We are providing both salaried and wage positions in terms of manpower equivalents and that information is relevant and valid to this Legislature. But, Mr. Chairman, if the opposition is going to speak of these in terms of growth in the civil service relevant to what has existed in the past they are not relevant and I think ...

MR. HENDERSON:

I can only come back to say that the whole exercise is only relevant in terms of dollars, tax dollars, increased expenditures to the taxpayers of Alberta. And that is the relevant argument. Whether they want to classify them as temporary, permanent, half-man, three quarter man, five eighths women is irrelevant to the basic cost to the taxpayer. That's what we are talking about.

And I think we finally got it straight that the percentage increases shown in the Estimates as the number increased in terms of man years of work to the Department of Agriculture are correct as per the estimates. As far as what happened previously, if the administration wants to dig back into that bring it here and we'll look into it -- all the previous statistics. I would be quite happy to take up a week or two examining that too, if the minister thinks it is relevant.

MR. GETTY:

Mr. Chairman, it is interesting to hear that the hon. Leader of the Opposition has finally got it straight, and I am pleased that we now no longer have to listen to the shouting and screaming over there when he is trying to cover up for the fact that he doesn't understand a simple exercise the Provincial Treasurer explained to him.

It is unfortunate, Mr. Chairman, but I have noticed that when he doesn't understand or he doesn't know what is going on, he just yells a little louder. Finally he has been able to sit there -- some of his own members took some time to explain it to him because they understood -- and now thank gosh he knows and we can get on with the business.

MR. HENDERSON:

Mr. Chairman, I am quite accustomed to the fact that the Minister of Intergovernmental Affairs tries to justify his existence in the front row by standing up and trying to pick up the pieces for his colleagues. But Hansard quite clearly is going to show that the Minister of Agriculture got up here and spouted off a bunch of figures to say there is only money in his estimates for 300 people. When we finally get it on record there is money in his estimates for close to 400 people.

So I have no objection to the Minister of Intergovernmental Affairs justifying his existence in the front row even further, if he wants to go on a little further, and I'll start shouting some more so he can have some more to talk about if he wants and we finally get it straight what is in the Estimate books as far as the increase in staff. I submit that the statements that have been made on this side of the House are in keeping with the arithmetic of the Treasurer and they are correct.

MR. GETTY:

There is a question in my mind that he will be shouting some more because he shouts when he doesn't know what is going on. There is no question in my mind that we will hear him shouting plenty of times in the future because as I have said, it is just those times when he isn't quite sure or doesn't understand exactly what is happening.

I think that the Provincial Treasurer has done an extremely good job of finally shaking out all those wage figures that used to slide through that no one knew about -- the people who were working -- and they finally tried to identify them. If that is a little too deep for the hon. Leader of the Opposition, that is tough. But we tried to explain it to him and it is unfortunate that he just doesn't know.

MR. HENDERSON:

Oh, you are not finished.

MR. GETTY:

After all, Mr. Chairman, there are many days we sat in this House and could not find the various people who were on wages. It became obvious that even though you declare or have so many positions established through the civil service and you are supposed to stick by those, that it is very simple for the government to go out and hire on wages any number of people they wanted.

And that, Mr. Chairman, is something that the House should know about. And so the Provincial Treasurer has in fact tried to show that in this budget. And it is unfortunate that 36 years of doing it one way, they are unable to understand a new way, a better way and a clearer way. And so, Mr. Chairman, we can only say that the figures are there for the people and for the House, and I am glad that the members on the other side finally understand.

MR. HENDERSON:

Mr. Chairman, the minister has just convinced me I really don't understand it yet. And so I think we should hold the Estimates until the Minister of Intergovernmental Affairs, who has all the answers, brings all the 36 year history in here and we can examine all the wage positions to establish whether he is as smart and right as he thinks he is.

And so in the meantime, since I don't understand it, I would like to turn to Appropriation 1112 and take a look at that reduction from 12 to 10. I would like to ask how many men were actually employed in that appropriation in 1972-73 that shows as 12 man years, and how many men are going to be employed in 1973-74? And by the time we go through them, I hope it might sink through my thick skull. And so, I wonder, how many positions are we talking about?

MR. GETTY:

I don't think anything --

MR. HENDERSON:

You have got to keep trying. I am a slow learner.

Let's have the Minister of Intergovernmental Affairs explain it. He has the guy who has all the answers, Mr. Chairman. Let's have it.

MR. GETTY:

Mr. Chairman, the hon. member started out by saying that it had to go through his thick skull. Now I am not sure that we really have the time to get things through that thick skull.

MR. HENDERSON:

Mr. Speaker, I would like to know in terms of the 12 man positions were in last year's Estimates, how many men were actually involved and employed in that estimate and how many are going to be employed in the two for this year on 1112.

DR. HORNER:

1112 is the Conservation and Development Branch of the Irrigation Division which, as a matter of fact was one of those areas in which there were a number of wage positions previously; and in which, as a matter of fact, when the entire Water Resources Section was transferred to the Department of Environment, something like over 210 wage positions were transferred. They were then transferred back to the Alberta Department of Agriculture, 27 salary positions and 19 wage positions. That was in April of 1972.

Subsequently, the number of wage positions has been reduced, the number of salary positions has been increased by five, the total reduction in the area is the difference between that. In total, a reduction of five people in The Conservation and Development Branch.

I could give the hon. gentleman the statistical summary of the work the people have done, but obviously it's a transfer of some wage people to salaried positions, and the doing away with five wage positions.

MR. HENDERSON:

Mr. Chairman, I asked this question about the wage positions. Could the minister just express it in terms of wage positions, because I gather this is where the difference in arithmetic comes. So it's 12 to 2, then how did we get into salaried positions?

DR. HORNER:

Some of them have been converted to salaried positions. Most of the wage positions are part time positions in relation to summer work in the irrigation areas.

MR. HENDERSON:

Once again, Mr. Chairman, we've established the point that whether it's temporary or permanent is somewhat irrelevant because there is a flexibility to switch back and forth. So it's the total we are talking about and in that case we gain ground . . .

MR. GETTY:

[Inaudible]

MR. HENDERSON:

If the Minister of Federal and Intergovernmental Affairs wants to play games, I don't object. Let's go on to No. 1122 -- is there juggling back and forth between wage and salary in that one as well, or is it just a straight increase in two wage positions?

DR. HORNER:

This is the area -- as I have suggested to the hon. Member for Bow Valley -- in which we are doing some things in regard to a range improvement program, grain and corn promotion in the Taber area particularly. There will be an increase in wage positions because of the nature of the programs taking place in the summer time that don't require full time positions.

MR. HENDERSON:

So there's two increases in wage positions and no shifting back and forth between wage and salaries in that particular appropriation?

DR. HORNER:

Not in that particular appropriation.

MR. HENDERSON:

So we come up with the seven man year increase in staff. Then the one down below, No. 1123, what is the explanation of that? Is it just a straight increase in wage position? I'm not concerned about the salary, that is not the issue, unless there has been a shifting back and forth from wage to salary.

DR. HORNER:

Again, it's in the weed control program which is primarily a summer operation, Mr. Chairman. The increase is primarily in relation to wage positions in relation to the summer help and the additional service we are providing in a very minimal way to urban municipalities. Because we are finding, of course, that weeds growing on vacant lots, and particularly on the edges of urban municipalities, are a substantial hazard to farmers adjacent to those areas. That is the question in regard to the wage positions. The salaried positions are involved in relation to the increased activity through the service board programs, and the research and special weed problems particularly in the wild oat area.

MR. HENDERSON:

Once again there is no shifting or interchange between salaried and wage position as far as classifications are concerned.

Turning then to No. 1124, it shows a reduction in wage positions and it shows an increase in salaried positions. Is there an interchange there between wage and salary?

DR. HORNER:

There is a minor decrease in the wage positions because more of this particular work has been done through the ... service boards, and the requirements in the wage positions are less. The increase in relation to the salaried positions is related to the increased volume of activity in the plant industry laboratory and in the program we are doing in Athabasca in regard to blackfly research.

MR. HENDERSON:

Once again there is no change -- the increase in salary, the decrease in wages, is not due to a reclassification?

DR. HORNER:

No.

MR. HENDERSON:

No. 1125 -- there has been a 14 man increase in permanent salaried positions and a 10.5 position increase in wages. Again, is there an interchange?

DR. HORNER:

No.

MR. HENDERSON:

Then what is the increase for?

DR. HORNER:

This is to put into operation what is known as the Macleod Farm in the Brooks Horticultural Station which was purchased some years ago and hadn't been put into effect. The increase in salaried positions is directly related to the

increased activity at Brooks, which is also related to the vegetable industry there.

The amount of help that we have been able to give to organizations like Newal Co-Op and other potato growers in the area. One of the salaried positions is directly related to upgrading storage research in the potato industry which is of particular importance to the area at the moment because of last year's crop.

There is an increase in the salaried positions in relation to the greenhouse industry and one of the positions that has to do with the research that we are doing at Wabamun and other thermo plants in relation in the use of that water in the greenhouse industry.

The question on wage positions again as reflected in the summer employment program at the horticultural station and the increased activity because of the going into production on McLeod Farm.

MR. CHAIRMAN:

Mr. Henderson.

MR. HENDERSON:

And on the increase in ten-and-a-half wage positions, how many actual people is it expected during the year that that ten and a half increase in wage position will actually be involved? Will it be 30 people, 40 people, 20 people, how many people would anticipate would be involved in that ten-and-a-half position?

MR. CHAIRMAN:

Mr. Minister.

DR. HORNER:

Well, I cannot give that correct answer at the moment, because that will depend - I would rather suspect on the activity that goes on at the station during the summer months - the kind of climate that we have, the number of part-time people that might be required for any particular programs. And, as my hon. friend appreciates, the weather is going to have something to do with the number of people that are going to be required, the question of looking after the research plots and this kind of thing is directly related to the kind of summer that we have. So it's almost impossible to say. But I can say this, that this is a major program of student employment and particularly for people interested in the area or in that particular ... [Inaudible]

MR. CHAIRMAN:

Any further questions?

MR. HENDERSON:

No, Mr. Chairman. I think we've probably made the point and I would welcome any further contribution from the Minister of Intergovernmental Affairs.

[Laughter]

MR. GETTY:

Well, Mr. Chairman, I'm very pleased that the hon. Leader of the Opposition has now been able to find out what it is all about. I think though, that he should have sent some of his crew who went to the committees to find that out. I don't know why they were able to go to so many hours of committee meetings and in some way not do their job and provide the information to their leader. Certainly it was there to be asked. It's a shame they had to wait this long to finally find out.

HON. MEMBERS:

We were there.

MR. MINIELLY:

Mr. Chairman, could I have the floor?

MR. CHAIRMAN:

Mr. Minister, and then Mr. Henderson.

MR. MINIELY:

As Provincial Treasurer, I would just like to say one thing. That in my view, the exercise that I have witnessed tonight is an example of where I have tried through Estimates to provide information on wage positions which had never been provided in this Legislature before. The hon. leader is just making a mockery out of it.

MR. HENDERSON:

Mr. Chairman, it's absolute nonsense. This exercise relates to the difference in the statements that the Treasurer has made and what his arithmetic adds up to and what the Minister of Agriculture is claiming about the fact that the increase to the cost to the taxpayer in terms of work force has been exaggerated. And we have established quite clearly it hasn't been exaggerated. Insofar as the business of the exercise going through in this particular committee, I would like to suggest to the Minister of Intergovernmental Affairs, would he rather have gone through it four times in every committee and taken all that extra time there, or do it once here?

MR. MINIELY:

Once there.

MR. HENDERSON:

In every committee...

MR. CHAIRMAN:

Mr. Strom.

MR. STROM:

Of the work on the committee: I would like to say that I appreciate the experiment that we are going through and it is an experiment and I think that the hon. Minister of Intergovernmental Affairs knows that. And one of the concerns that was expressed by one of our members was the fact that, as an MLA, he is now not going to be in the position of being able to bring to his people all of the information that he would be able to get if we were to proceed with Estimates as we had previously. Now, I'm not suggesting, Mr. Chairman, that that is an argument for continuing as we have.

But I certainly think that the hon. Minister of Federal and Intergovernmental Affairs ought to think twice before he starts suggesting that those of us who happen to sit on one committee should be trying to go and educate every other member who is not on that committee on everything that we discussed. I have no intention of doing it and I say it very clearly to the house. But I am hoping, that is in the general run, that those of us who happen to sit on one committee should we try to go and educate every other member who is not on that committee on everything we discuss? I have no intention of doing it, and I say it very clearly to the House.

What I am hoping is that in the general run of considering the Estimates, we can bring out information on a different basis than we have been able to do before. And in spite of all of the debate we have had this evening, I want to say to the hon. Minister of Agriculture, whose estimates we have gone through, the hon. Minister of the Environment, that we proceeded on a very good basis on getting information within the committee.

But we certainly cannot preclude any member afterward from following a line of questions he might wish to pursue. That was the very point that I raised at the beginning of the Committee of Supply this evening. Were we going to be denied that right? It would appear that the Minister of Federal and Intergovernmental Affairs is almost suggesting that, "Why didn't the hon. Leader of the Opposition get that information from one of the members of the committee?" I say that is not the way I think it is going to work.

But, Mr. Chairman, let me make it very clear, we're in an experimental process. I don't think at this point in time any member on either side of the House should be suggesting we are not exercising our true right or responsibility in following the procedure that we have this evening.

I think we ought to wait until we get to the end of Committee of Supply and then have a fair assessment, and then maybe make our statements as to how we think it has operated.

MR. GETTY:

Well, Mr. Chairman, I'm sorry I touched such a nerve with the hon. Member for Cypress. I'm happy we have the committees, and I hope that every member takes as long as he feels it is necessary to find out everything that is in the budget.

However, the point I was making was not a detail that had to do with any particular department, it was the basic structure of this budget. It runs through every single department -- what those numbers mean, what the wage and salaried positions mean. That is a basic feature of the budget. It should have been the first thing perhaps that was mentioned. That is what I mean. I don't mean you run back and forth to the Leader of the Opposition with this bit of information and that bit of information. My position was they should have, very early, found out and established what it took so long to find out today.

MR. TAYLOR:

Well, Mr. Chairman, the very point that the Minister of Federal and Intergovernmental Affairs just mentioned is the reason it is being done here. It is far better to do it here, it's the first chance we've had to do it, and this is the proper place to do it, not in each committee because it applies to all Estimates. So this was the proper place to do it, not in the committees at all.

MR. HENDERSON:

May I suggest further, Mr. Chairman, it's appropriate to do it here by simple virtue of the fact that the transcribing machinery is working. Statements have been made outside the House on this particular point, by the government that the arithmetic we have come out of this budget with, on increases in manpower and manpower costs to the government that have been made by the Treasurer, and the Minister of Agriculture made them here in the start of this debate tonight, were exaggerated and to get it on record this is the only place to get it done.

It has been, I think, established to my satisfaction in this particular appropriation what is the interpretation between the Estimates book and the interpretation that is being put on the matter politically, and I just use the example of this case, the Minister of Agriculture.

If the Minister of Federal and Intergovernmental Affairs wants to continue to try to pick up the pieces and justify the seat that he wants, I welcome the opportunity. We don't have to sit until tomorrow afternoon at 2:30.

MR. BENOIT:

Mr. Chairman, there is another factor involved here that indicates to me we are not out of the woods yet. The hon. Minister of Federal and Intergovernmental Affairs said, "Why didn't this come up sooner?" At first in our committee we were only using the one book and it wasn't until it suddenly dawned on us there was some discrepancy between the 1972-'73 Estimates and this book, and the 1972-'73 Estimates in this book, that we began to raise some questions.

Now with regard to this particular department, the 1972-'73 Estimates indicate to us that there are some 60 positions less in the '72-'73 Estimates in this book than there are in this book. And that is another further 60 discrepancies between the 1973-74 Estimates and the 1972-73 Estimates. So we haven't discussed that aspect yet. And I don't intend to do it tonight. Maybe we can do it on another appropriation and another department later on.

MR. CLARK:

Mr. Chairman, may I further add for the benefit of the Minister of Skulking Affairs that last night when we were in Subcommittee A --

AN HON. MEMBER:

Sulking.

MR. CLARK:

No, skulking, skulking. Both, all right. For the broadening of the Minister of Intergovernmental Affairs, might I say that last evening in Committee A when we were discussing 2561 it wasn't only members of the opposition who couldn't understand where the 80 people came from, the minister had to refer to the people from his department and also the Conservative back benchers didn't know where the people came from either until they had the explanation. And here is the place to find out also. And we did. Good.

MR. RUSTE:

Mr. Chairman, with reference to a remark by the Provincial Treasurer about the additional information being given, I would suggest to him that no one was denied the information previously in committee. I submit that at that it was on the floor of this House the minister was there, he didn't have his deputy, he didn't have his staff there to answer for him. It was up to him to give that information. So I think the inference that that information isn't available, wasn't quite so.

But there is one problem that I am faced with at this time and that goes back to the Annual Report of the department. And there is one individual who is lost and I take it at this time, this being spring, and that goes back to Surface Rights Board. Maybe I will just read this part, it's in the annual report on page 34 dealing with the Surface Rights Board. I am not going to read the whole thing, but the pertinent parts. And it says:

The present chairman of the Board, John D. McArthur, was appointed to the Board as a member, effective August 1, 1972 and was appointed chairman effective November 15, 1972, replacing the former chairman, P.J. Skrypnik who retired. L.P. Pollard, S.C. Tippet, A.W. Benedix and C.H. Nielsen were appointed members of the Board effective August 1, 1972, November 1, 1972 and December 1, 1972, respectively.

Now in an Order in Council, dated July 12, 1972, there is reference to three men, John Duncan McArthur, Clifford S. Smallwood, and Lewis Pollard. And my question to the minister is, there is one name that is omitted from this, what happened to him?

DR. HORNER:

As the hon. member of course knows, Mr. Smallwood, after trying out the position felt he was much better off home on the farm than he was being a civil servant. And therefore declined to continue. It is as simple as that.

MR. RUSTE:

Is his address at Irma?

DR. HORNER:

Do you want to play games, Henry?

MR. DIXON:

Mr. Chairman, I want to ask a question on vote 1144 and if more for the information of the House this is a new vote with eight new salaried positions. I was wondering if the minister could outline to the House is it just the actual inspection of meat in the plant, or is it an inspection to see that the animals are slaughtered in a humane way as well? In other words is the inspection prior to the slaughter and after the slaughter?

DR. HORNER:

Both mortem and post-mortem inspection. Most of the people in the eight positions, as a matter of fact it was in the subcommittee and we had a breakdown of those eight people and I think six of them, as a matter of fact, are veterinarians and the other two are technicians. A great deal of the inspection, of course, is done under fees and commissions in relation to the use of local veterinarians in various areas.

MR. DIXON:

Mr. Minister, what rules do you lay down as far as the slaughter of animals is concerned? Do you carry out the same as the federal government where they have to be rendered unconscious before any action --

DR. HORNER:

In a general way, the regulations are very similar to those by the federal government as far as the killing is concerned and we operate within the confines of the SPCA and --

MR. DIACHUK:

No further questions? Ready for the resolution?

HON. MEMBERS:

Agreed.

MR. DIACHUK:

The resolution as submitted by, moved by Mr. Cookson, seconded by the hon. Minister of Agriculture:

Resolved that a sum not exceeding \$27,148,544 be granted to Her Majesty for the fiscal year ending March 31, 1974 for the Department of Agriculture.

[The motion was carried.]

DR. HORNER:

I move the resolution be reported.

[The motion was carried.]

MR. HYNDMAN:

Mr. Chairman, I move the committee rise and report.

[The motion was carried.]

MR. CHAIRMAN:

While we are waiting for the Speaker, I have a message here from Hansard indicating to the members who spoke this afternoon that, because of a Xerox breakdown, if any of the members would like to see their copy of the addresses, they could go up to Room 412 and peruse them to see that they are correct.

* * * * *

[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of Supply has had under consideration the following resolution, begs to report same and leave to sit again:

Resolved that a sum, not exceeding \$27,148,544 be granted to Her Majesty for the fiscal year ending March 31, 1974 for the Department of Agriculture.

MR. SPEAKER:

Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, I move the House do now adjourn until tomorrow afternoon at 2:30 o'clock.

SOME HON. MEMBERS:

Today.

MR. HYNDMAN:

If I can amend my own motion, with leave of the House, Mr. Speaker, I move the House do now adjourn until today at 2:30 o'clock.

MR. SPEAKER:

Having heard the motion by the hon. Government House Leader, do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The House stands adjourned until this afternoon at 2:30 o'clock.

[The House rose at 12:20 o'clock.]