

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, April 17, 1985 2:30 p.m.**

[The House met at 2:30 p.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. SCHMID: Mr. Speaker, it's a special pleasure for me today to introduce to you Mr. Erwin Buchart, the project engineer of electric propulsion systems for Siemens of Canada. He is accompanied by Mr. Victor Hamm, a director of special projects, our expert in Alberta for LRT systems. I would like to ask the Assembly to welcome them to this House.

head: INTRODUCTION OF BILLS**Bill 259****An Act to Provide for Equal Pay
for Work of Equal Value**

MR. MARTIN: Mr. Speaker, I beg leave to introduce Bill 259, An Act to Provide for Equal Pay for Work of Equal Value.

Bill 259 would amend section 6 of the Individual's Rights Protection Act and specify equal pay for jobs involving work of equal value to the employer, with value being determined on the basis of such criteria as the skill, effort, and responsibility required in the performance of the work and the conditions under which the work is performed.

[Leave granted; Bill 259 read a first time]

Bill 265**An Act to Amend the
Alberta Income Tax Act (No. 2)**

MR. JONSON: Mr. Speaker, I request leave to introduce Bill 265, An Act to Amend the Alberta Income Tax Act (No. 2).

This Act would provide for a farm investment tax credit and would parallel federal legislation on the same matter.

[Leave granted; Bill 265 read a first time]

head: TABLING RETURNS AND REPORTS

MR. CHAMBERS: Mr. Speaker, I would like to table the annual report of the Alberta Association of Architects for the calendar year 1984.

MRS. LeMESSURIER: Mr. Speaker, I wish to table the 1984 annual report of the Alberta Historical Resources Foundation.

head: INTRODUCTION OF SPECIAL GUESTS

MR. MARTIN: Mr. Speaker, I'd like to introduce to you and members of the Assembly some 10 students from the political science class of the Cr m dale campus of Grant MacEwan college in the constituency of Edmonton Norwood. Accompanied by their teacher, Mrs. Colleen Powell, they are seated in the members' gallery. I ask them to stand and receive the traditional welcome of the Assembly.

Mr. Speaker, I guess it's my day. I would like to introduce to you and members of the Assembly some 23 grades 5 and 6 students from the St. Gerard school, also in the constituency of Edmonton Norwood. They are accompanied by teacher Mr. Paul Fairfield and parent Mrs. A. Chiarello. Discussion with these grades 5 and 6 students was rather interesting. They asked me if Mr. Mulroney was here, and I said I didn't think so. They asked me if Mayor Decore was here, and I said I didn't think that either. But they did ask about Mr. Zaozirny, and I assured them that he was here. He's sitting over there. They're also seated in the members' gallery. I ask them to stand and receive the traditional welcome of the House.

MR. MUSGROVE: Mr. Speaker, I would like to introduce to you, and through you to the rest of the Assembly, 21 very enthusiastic grade 8 students from Bassano school in the Bow Valley constituency. They are accompanied by teacher Mrs. Molly Pilling, supervisor Mr. Larry Pilling, and bus driver Mr. Ross Hall. They're seated in the public gallery, and I ask them to stand now and receive the warm welcome of the House.

MR. CHAMBERS: Mr. Speaker, I would like to introduce to you, and through you to the Assembly, 43 grades 5 and 6 students from Brigadier Gault school in the constituency of Edmonton Calder. They are accompanied by teachers Mr. Norm Alexson, Mrs. Collette Beauchamp, and Miss Mary Liviero. They are seated in the members' gallery, and I would like them to stand and receive the usual warm welcome of the Assembly.

MR. BATIUK: Mr. Speaker, in the absence of my colleague the Member for Stony Plain, who is attending a funeral this afternoon, I feel privileged to have the opportunity to introduce to you, and through you to members of the Assembly, 57 bright grade 6 students from Millgrove school in the Stony Plain constituency. They are seated in the public gallery, accompanied by teachers Miss Nypuik and Mr. McConnell and by parents Mrs. Jones, Mr. Greenough, Mrs. Hall, Mrs. Young, Mr. Campbell, Mrs. Fuhr, and Mrs. L'Heureux. I ask that the students, parents, and teachers rise and receive the welcome of the Assembly.

MR. McPHERSON: Mr. Speaker, I would like to introduce to you and to our colleagues in the Legislature the president and vice-president of the Westerner Exposition Association in Red Deer. Standing in the public gallery, apparently, are Mrs. Margaret McPhee, the president, and Mr. Glenn Good, the vice-president, who presented themselves as witnesses before the Private Bills Committee this morning. If they are standing, I wonder if they would be kind enough to wave and be recognized by the Legislative Assembly.

head: **MINISTERIAL STATEMENTS****International Trade**

MR. SCHMID: Mr. Speaker, it is with great pleasure that I announce today a new endeavour by the government of Alberta to further develop high technology research and manufacturing in the province. I am referring to a \$2.5 million agreement reached between Siemens Electric of the Federal Republic of Germany, its Alberta subsidiary, and the government of Alberta.

Under this agreement Siemens will transfer its alternating current propulsion technology used in light rail transit cars to its Alberta subsidiary. The Alberta subsidiary will also begin work on developing new light rail applications for that technology. Alternating current, or AC propulsion as it is commonly referred to, is used only in Europe at the present time. All North American transit systems use direct current, or DC propulsion systems. The AC propulsion system is viewed by many as the better and more reliable system and is being proposed as the system of the future for use in light rail transit vehicles.

This agreement with Siemens is a golden opportunity for Alberta to become the North American leader in developing this new technology and manufacturing it for export purposes. Mr. Speaker, in North America alone there are 42 mass transportation systems which in time could use the AC technology. Siemens has granted to their subsidiary company here in Alberta the total North American and select international product mandate for the marketing and manufacturing of AC power packages for light rail applications.

One of the key components to our agreement with Siemens is the provision for building two AC-powered rail transit cars to be extensively tested on the Edmonton and Calgary light rail transit systems. It has been agreed by Siemens that they will spend a minimum of \$500,000 on the testing and development stage of this project. Sometime during the two-year testing period of these vehicles we will start discussions with representatives of Edmonton and Calgary as to the eventual disposition of these transit cars after the evaluation period has been completed.

By doing this, Mr. Speaker, Edmonton and Calgary will once again be the leaders in the use of the most advanced light rail technology available in North America and will be our showcase for exporting this new technology to other markets.

Mr. Speaker, with the strong and total support of my Edmonton and Calgary caucus colleagues, Alberta has not only achieved another milestone in its diversification of industry and penetration of high technology research and application but also preserved jobs which otherwise would have been lost. I would also like to acknowledge the co-operation of the cities of Edmonton and Calgary and of Mr. William B. Waite, president and chief executive officer of Siemens of Canada, as well as his officials, in enabling us to make this announcement today.

Mr. Speaker, by entering into this agreement for the AC light rail vehicles electronics for export project, Alberta has opened the door for increasing high technology job opportunities for Albertans and expanding our export markets in the significant field of public transportation.

MR. MARTIN: Mr. Speaker, in rising to reply to the ministerial announcement, at first perusal it certainly looks like a good initiative for Alberta. I think we should be

looking more and more at this type of enterprise. So I commend the minister on the announcement.

I see we're moving into the research end of public transportation. I hope that the Minister of Transportation and other people recognize we're becoming a leader here and that they will be forthcoming in looking at LRT extensions in our own cities much more rapidly. I also hope this is one of the steps toward establishing a high-speed rail link between Calgary and Edmonton, as the Minister of Economic Development mentioned in his estimates.

As I said, Mr. Speaker, it is in itself a very worthwhile initiative, and my colleague and I in the Official Opposition certainly support it at this time.

head: **ORAL QUESTION PERIOD****Hazardous Waste Disposal**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Transportation. It's a follow-up from our questions yesterday. As I understand it, yesterday the minister of transport said, "there has been extremely good voluntary compliance" on the part of hazardous waste transporters with the draft federal regulations. Can the minister confirm that the Kinetic truck carrying an undrained transformer to Alberta was violating those draft regulations? If so, could he indicate what he means by "extremely good voluntary compliance"?

MR. M. MOORE: First of all, Mr. Speaker, I did not say yesterday that there had been extremely good voluntary compliance with the most recently published regulations. Those regulations were published in December by the federal government. The Disaster Services dangerous goods control people in Alberta have been working since that time with both shippers and the trucking industry to develop a system whereby there can be implementation of the regulations effective, we hope, by the end of this year or early in 1986. But for some length of time in this country there have been various regulations regarding the transportation of dangerous goods that the industry has been very good at complying with on a voluntary basis, in my opinion, when the regulations were not in fact enforced by law.

I cannot confirm what occurred in the incident in Ontario with the truck that was loaded in a neighbouring province to the east. I can only confirm what the situation has been with regard to the Alberta trucking industry. In my opinion, they are performing well in preparing themselves for the implementation and finalization of the transportation of dangerous goods regulations later this year or early in 1986 and for numerous years have complied on a voluntary basis with various regulations that have been put into place.

MR. MARTIN: A supplementary question, Mr. Speaker. It's all very well to talk about generalities, about what's been done in the past. My specific question is on this case that we know about. Would the minister confirm that the Kinetic truck was carrying an undrained transformer to Alberta, that this would have come across the Alberta border, and that this did not follow those draft regulations as laid down by the federal government?

MR. M. MOORE: Mr. Speaker, I cannot confirm anything with regard to that particular incident. The truck was not

in Alberta. I don't have any responsibility, and neither does anyone else in this government, with respect to what was being carried on in Ontario. So I can't confirm whether that particular truck was following the regulations which have been published but not enacted. I understand they were not. But we would not deal with the matter in a specific way until it reached Alberta's border. We have no jurisdiction in Ontario.

MR. MARTIN: I recognize that, but that truck was coming to this province. Is the minister saying that his department would have known that this truck was coming into Alberta and would have stopped it at the border and changed this particular thing, that this couldn't have happened in this province?

MR. M. MOORE: The member is speculating on what might have happened had the truck reached Alberta.

MR. SPEAKER: I'd say it's an out-and-out hypothetical question, but perhaps the hon. leader is after some facts he could seek in a somewhat different way.

MR. MARTIN: It's not very hypothetical. It would have been here 24 hours later.

MR. SPEAKER: I must interrupt. [interjection] Order please. Any question that says "would have been" is hypothetical.

MR. MARTIN: Then we'll nail this down a little more. Yesterday the Minister of the Environment referred to a voluntary manifest system. I understand the manifest did not arrive at the department until the day after the truck was originally scheduled to arrive in Alberta. Could the minister confirm this, and what does this tell him about his manifest system?

MR. BRADLEY: Mr. Speaker, the companies transporting these goods are following a voluntary requirement in terms of a voluntary manifest. I will look into the matter and report back to the Assembly on when the specific manifest arrived in the province.

MR. MARTIN: A supplementary question to the minister. If he's unaware, that surprises me, because other people seem to be aware that this was in fact the case. How does the minister know whether or not this voluntary manifest position is working? He can't even tell whether or not they did it. Yesterday he said it was working well. How can he confirm to this House that this is in fact the case?

MR. BRADLEY: In terms of the system, Mr. Speaker, I understand that after the goods have been received by the carrier in the appropriate jurisdiction, they're required to mail the manifest within two days. In terms of the system, it's probably the fact that once the carrier receives the goods, he has two days in which to ensure that a copy of the manifest is mailed. It's probably the fact that the manifest is in the mail, in terms of the arrangements.

MR. MARTIN: That's fairly serious. You mean all they have to do is send it out in the mail — and we know what often happens with the mail — and that truck can go ahead and could actually be here ahead of the department knowing? I ask the minister seriously: what kind of system is that?

MR. BRADLEY: Mr. Speaker, the system which is in place has been under review, as my colleague the Minister of Transportation referred to, in terms of discussions between the federal government, the provinces, and the various people involved. It's part of the system and procedure which is being examined and being proposed to be put in place for the movement of these types of goods in the country.

MR. MARTIN: A supplementary question, Mr. Speaker. It wouldn't take much review to figure out that that was seriously wrong. I hope they move on that.

The minister said that the Special Waste Management Corporation is negotiating with Kinetic about its future role. Under section 15 of the Act, I believe, I notice they are empowered to enter into agreements with private storage facility operators to take over those operations. My question is: can the minister assure this Assembly that negotiations do not include any proposal for the corporation to take over management of the Kinetic facilities?

MR. BRADLEY: Mr. Speaker, I don't think it would be useful to discuss the nature or type of negotiations that are ongoing at this time. I think that may prejudice such negotiations.

MR. MARTIN: Is the minister saying that the negotiations include the possibility that the corporation, or the Crown, will be taking over Kinetic and picking up the losses?

MR. BRADLEY: Mr. Speaker, I don't think I'm in a position to confirm the direction the negotiations are taking. The corporation is negotiating with Kinetic as to its future role in waste management in the province. I leave it to the corporation to advise the government in due course as to the outcome of the negotiations.

MR. SPEAKER: Might this be the hon. leader's last supplementary on this question.

MR. MARTIN: Perhaps that gives us the answer, Mr. Speaker. Yesterday the minister said that any new material stored at the Kinetic facility is now subject to bonding to protect the Crown. Does this mean that there is no protection system in place to protect the Crown against being stuck with all the old hazardous material that has been gathered in Nisku for many years?

MR. BRADLEY: Mr. Speaker, I believe I answered that question yesterday. Legislation that was introduced and passed in this House last fall outlines the responsibilities and the framework in which the government can operate in terms of special wastes in the province. With the proclamation of that on March 13 and letters going out on March 20, we now have in place a system in which bonding is required for waste which is stored off a generator site in the province. There was no legislation in place prior to that under which a bonding requirement could be imposed.

DR. BUCK: Mr. Speaker, a question following up on what the hon. Leader of the Opposition just asked. Can the minister indicate how long we have been accumulating PCBs in this province? How much of the PCBs we now have on-site are from out of the province?

MR. BRADLEY: Mr. Speaker, I'm not sure I'm in a position to respond to that question today.

DR. BUCK: Mr. Speaker, in the minister's discussions with his provincial counterparts and the federal minister, what facilities are available in eastern Canada for the disposal of PCBs? Are there any facilities available in the eastern part of the country?

MR. BRADLEY: Mr. Speaker, I cannot answer that question either. I'm not aware of what facilities are in place in other jurisdictions. I can respond in terms of what's in place in Alberta.

DR. BUCK: A supplementary question, Mr. Speaker. Is the minister telling us that he has not had any discussions with his counterparts in other provinces as to what to do about the disposal of PCBs?

MR. BRADLEY: Mr. Speaker, there were ongoing discussions at ministerial conferences prior to my assumption of responsibilities as the minister. My understanding is that the provinces have reviewed this question and have discussed various options over a period of time.

DR. BUCK: Mr. Speaker, in these discussions were there any trade-offs or deals made by the provinces where the minister of this province said, "We'll accept all the PCBs you've got"?

MR. BRADLEY: Mr. Speaker, I believe the strategy which has been outlined is that the provinces are looking at a net zero balance. In terms of waste there may be opportunities or occasions in which waste would be shipped from one province to another, and there would be reciprocating exchanges, so that you would end up with a net zero balance in terms of exchanges of wastes. I should indicate that over a period of time we have shipped a large amount of wastes out of this province to other jurisdictions in both eastern Canada and the United States to be treated or stored.

DR. BUCK: In these discussions, Mr. Speaker, did the minister have any discussions offering to have other provinces take our PCBs?

MR. BRADLEY: Could the hon. member please repeat the question, Mr. Speaker?

DR. BUCK: In the discussions he had with his provincial counterparts, did the minister — you, sir — make any offer to have other provinces take our PCBs, or did you offer to take theirs?

MR. BRADLEY: Mr. Speaker, no such discussions have taken place.

MR. GURNETT: A supplementary question, Mr. Speaker. Yesterday the minister informed the House that some 5,000 tonnes of hazardous materials were stored at the Kinetic site, after years of importation. Can the minister update us on the proposed capacity of the Swan Hills disposal facility under construction and on how long it will take to destroy that volume of hazardous waste that has now accumulated, without any further addition?

MR. BRADLEY: Mr. Speaker, the capacity of the site at Swan Hills is under review between the corporation and the operator/proponent, Chem-Security Ltd. The facility will be designed to handle Alberta wastes. I have been advised

that the amount of waste in storage in the province at this time would not take a large part of the treatment capacity. For example, it could perhaps be handled in a quarter of the operating period of the plant in one year. So the material that is in storage could be very quickly absorbed into the facility at Swan Hills.

MR. GURNETT: A supplementary question, Mr. Speaker. The minister also indicated on Monday that it would perhaps be two or three years until the Swan Hills facility is ready to start treating wastes and destroying these materials and that in the meantime we're looking at various storage options. Even without importation of further wastes, could the minister elaborate what those storage options might be?

MR. BRADLEY: Mr. Speaker, I believe the generators in the province will continue to store wastes on their own locations. The facility we are developing at Swan Hills will have the ability to store some amounts of waste in September. There will be various treatment options coming on stream over a period of the next two or three years. There will be some materials we will be able to handle initially and very quickly. Other treatment processes will take more time to develop. In the fall of this year, I believe, we will have the capacity and capability to handle storage requirements in the province.

MR. GURNETT: A supplementary question to the minister, Mr. Speaker.

MR. SPEAKER: Might this be the final supplementary on this topic. If there's time, we can come back to it.

MR. GURNETT: Given the fact that we're looking at storing these kinds of materials for some time, obviously in a number of locations, I wonder if the minister could indicate the most recent date the Department of the Environment inspected the Kinetic warehouses in Nisku. Can the minister indicate if transformers were being stored outside, exposed to the weather, at the time of that inspection?

MR. BRADLEY: Mr. Speaker, the department makes frequent inspections of various facilities in the province. I'm not advised on a regular basis as to the dates on which each inspection takes place, but the department does that on an ongoing basis.

Government Contracts

MR. MARTIN: Mr. Speaker, I'd like to direct the second set of questions to the Minister of Public Works, Supply and Services. Last night during consideration of the estimates of the department of public works, with regard to business transacted between his department and Project Century Ltd., the minister said, "Our basic policy is tender and low bid." However, he also said that in the event a company were 100 percent owned by a minister, "That might not be a very acceptable situation." My question is: could the minister identify at what level the percentage ownership of a company by a minister is deemed to be acceptable? Is it 10 percent, 20 percent, 50 percent, or what?

MR. CHAMBERS: Mr. Speaker, I attempted to answer last night in terms of the transactions of my department. I think that question is more broadly based, and I refer it to the hon. Premier.

MR. LOUGHEED: Mr. Speaker, what's involved is a matter of common-sense guidelines. We all know the position with regard to the Legislative Assembly Act and the provisions under section 28 by way of contractual arrangements with associated companies in which a minister or a member has a beneficial interest. The guidelines are quite obvious. The situation is that in order for such a transaction to occur contractually between the government and an associated company as defined under the Act, the tests would be these. First of all, it would have to meet the tests of the Legislative Assembly Act. Secondly, in the case of a minister there would have to have been disclosure of that minister's interest in the associated company. Thirdly, it would have to involve a transaction that would be in the ordinary course of business. Fourthly, it would have to be a situation in which the associated company was not one in which the minister had a controlling interest. And finally, it would have to be a situation where the minister had no personal involvement in the transaction.

MR. MARTIN: A supplementary question. That leaves it rather broad, I would say.

I want to come back to the minister of public works and see if he can answer some questions himself. The minister also said last night, with specific reference to Project Century Ltd., that his department wasn't sure of the minor ownership position of the Minister of Municipal Affairs when they leased the building from Project Century Ltd. Could the minister identify which building he was referring to and when that particular leasing arrangement was entered into?

MR. CHAMBERS: Mr. Speaker, there were three buildings involved. As I recollect, the Harley Court building was sold in 1984, and that had been previously owned by Project Century. Century Place was sold in the last week or so to the city of Edmonton. The Chancery Hall building, in which the department has leased some space, was leased about 10 years ago. Again, in all cases all three buildings were as a result of competitive bidding, a tender situation, and the lowest cost tender won the award.

MR. MARTIN: It's all very well and dandy, but that's not the point. During the same response the minister noted last night that his department wasn't aware of the minister's ownership when they leased the building. Then he said, "that was certainly declared by the minister from day one." No question about that. As his ownership was declared since day one, how is it that his department was unaware of it at the time the lease was referred to? The question is: doesn't his department check who they're doing business with?

MR. CHAMBERS: Mr. Chairman, I don't know that it's all that practical to check the entire ownership of every building leased by the department of public works across the province. As I indicated last night, certainly the minister with the small participation in this company made his ownership public immediately, and I recollect receiving a letter detailing that from the minister some years ago.

As I pointed out, the Chancery Hall building was leased some 10 years ago and, again — I don't know how many times I have to repeat it; I did last night a number of times — in all cases they were the result of a tender situation, with the low bidder winning the award.

MR. MARTIN: Maybe we'll repeat it until we get some answers, Mr. Minister. That's what you're here for.

My question to the minister follows up on his answer. Is the minister saying that his department does not check into people they are doing business with in the course of ordinary business relations, that they don't know? If a company comes along and gives them a name, that's good enough? Don't they check into it to see if they have fiscal responsibility and all the rest of it?

MR. CHAMBERS: Obviously, Mr. Speaker, the immediate and direct ownership is something that is known, because these are the parties with whom the department is conducting the transactions. But, as to a complete search of all corporations and all shareholders, regardless of how many hundreds that may be, I don't think that's really either a practical or a necessary procedure to be followed.

MR. MARTIN: A supplementary question. Various government departments, but primarily public works, have done more than \$15 million worth of business with Project Century Ltd. from 1974-75 to '83-84. I point out that that's an annual average of about \$1.5 million and that that's according to public accounts. Can the minister identify when the department he now heads first became aware of the interest held by the hon. Member for Edmonton Strathcona in Project Century Ltd.?

MR. CHAMBERS: No, Mr. Speaker, I couldn't offhand. Obviously, I would have to peruse the records. I know it was some years ago — perhaps right after I got the portfolio; I can't recollect, and I'd have to check — that I received a memo from the minister, advising me of his interest and the fact that he had declared and did declare all of his interests and that he obviously had had no participation in the transactions whatsoever.

MR. SPEAKER: Might this be the final supplementary on this.

MR. MARTIN: A follow-up to that answer, then. When the Member for Edmonton Strathcona told the minister that he had these business dealings with Project Century, did the minister not think that was serious enough to take to Executive Council, or did he think that was a good business practice?

MR. KOZIAK: Mr. Speaker, perhaps I should identify the nature of the communication that took place that the minister of public works referred to. Perhaps I can read it into the record. At that time the memo was private and confidential, but I think it is important that I share this information. It's dated July 4, 1980, and addressed to Tom Chambers.

I am enclosing a copy of the Disclosure of interest statement which I have filed with the Clerk of the Legislative Assembly. I bring to your attention two companies in which I hold shares. They are Chancery Hall Ltd. in which I have a 2.5% share interest and Project Century Ltd. in which I have a 2.2% share interest. The legal description of the land owned by these companies is set out in the statement. On these lands are buildings known as Chancery Hall and Century Place, respectively. In addition, I am led to believe that Project Century Ltd. may be acquiring in the future a building called Harley Court, the legal description of which is presently not known to me.

As my disclosure statement indicates, these companies lease space to the provincial government. Because of the nature of the business of these companies and the relative significance of the government in the City of Edmonton's office market, it is necessary that I continue to be excluded from any discussions or decisions involving, in particular, these two companies, and in general, the leasing of office space in the City of Edmonton by the provincial government.

MR. MARTIN: I still want the question from the minister.

MR. LOUGHEED: Mr. Speaker, the question was directed to the minister, but it had to do with reporting to Executive Council. I have some difficulty with the innuendos that there is some sense that the Member of the Legislative Assembly for Edmonton Strathcona is in any way in breach of the Legislative Assembly of this province or any guidelines of Executive Council. If that's so, the remedy under the Act is available to the leader.

MR. MARTIN: Mr. Speaker, the Premier is getting a little haughty over nothing. I'm not questioning ...

MR. SPEAKER: Order please. I've had some concern about this line of questioning, on the basis of fairness. I haven't intervened, but I'd like to point out to the hon. leader that the questions he is asking tend to point toward a member of this Assembly and to question dealings which may or may not indirectly involve that member. It would seem to me that the hon. leader should be reasonably circumspect about that, because if that's going to be made an issue, then it should be dealt with in such a way that the person whose conduct or interest is apparently being questioned will have ample opportunity to meet the innuendos.

MR. MARTIN: Mr. Speaker, on a point of order. That's not the point at all. Nobody is insinuating that the member did anything illegal. What we are talking about is government policy where we are allowing a member to deal with the government. I'm talking about whether or not that's a good policy, and I was trying to get that from the minister. That's surely what the issue is all about.

MR. SPEAKER: That's only half the issue. It certainly involves government policy, but in this particular case it also involves a member of this Assembly, who is definitely entitled to his good name.

MR. MARTIN: With all due respect, Mr. Speaker, it has nothing to do with the member; it has to do with the fact that a company in which the member was involved did business with the government. If we can't even raise things like this ... It seems to me this is clearly the perusal of this Legislative Assembly, because it has to do with government policies or lack of government policies dealing with how we handle this situation. That's the whole point of bringing it. Surely our job as opposition members is to bring it here.

MR. SPEAKER: There's no question the opposition has the right and the duty to hold the government to account. But the second statement which the hon. leader just made, saying that it involved only government policy, is just as incorrect as the first time he said it. It doesn't just involve government policy. Now, I'm not making any ruling on the matter at

the moment, but every member of this Assembly, as in common with every member of the public, is entitled to his or her good name. If any effort is going to be made to impugn that good name, it has to be done under fair and just circumstances.

MR. LOUGHEED: Mr. Speaker, on the point of order. I wish to make the point as well that there are two elements involved. One has to do with public policy, and that is why I responded to the question that was put by the Leader of the Opposition in his first question, I believe. Second, it has to do with the fact that we're also referring to the qualification of a member of this Legislative Assembly pursuant to a restructuring of the Legislative Assembly Act passed in this Assembly and supported, I understand, by the former Leader of the Opposition, with regard to the provisions of qualification. That was a matter of public debate in this Assembly in the spring of 1983.

MR. MARTIN: With all due respect to the Premier, on a point of order. That's irrelevant. Laws can be changed, and we can bring out a private member's Bill on a code of ethics. So that has nothing to do with the point of order.

MR. SPEAKER: If the hon. Leader of the Opposition wishes to avail himself in an appropriate way of a final supplementary, perhaps we could get on. I have three more ... [interjection]. Excuse me. Perhaps the hon. leader would allow me to finish. I have three more members who would like to ask their first questions and an hon. minister who wishes to supplement some information that was previously sought. So with that in mind perhaps the hon. leader might conclude now. If there's time, we can come back to this topic.

MR. MARTIN: My supplementary to the Premier is simple and straightforward. Because of the potential — and I underline the word "potential" — for abuse, would the Premier now consider bringing in a code of ethics Bill which would make it illegal for MLAs or cabinet ministers to do business with the government?

MR. LOUGHEED: Mr. Speaker, that situation is right on the very point of the restructuring of the Legislative Assembly Act in which the member was involved here in this Assembly in the spring of 1983 and in which we dealt with the question of dealings between members of this Assembly and the provincial government under both section 28 with regard to contract and section 29 with regard to payments. We set out a procedure that was involved. We provided for a procedure that could be taken by a member. That's there, and the nonsense that is attempted to be persisted in this House with regard to a code of conduct — in this province we have full disclosure, we have safeguards, we have a full guideline of procedures with regard to all of these matters and, I'm proud to say, a very, very high level of public conduct of not only ministers but all members of this Assembly.

MR. R. SPEAKER: Mr. Speaker, it's nice to see that fighting spirit. Good stuff. It could lead us into a fall election.

DR. BUCK: He promised there wasn't going to be one in the fall. You've got to believe the Premier.

MR. MARTIN: He promised last time around.

MR. R. SPEAKER: Right. It's that code of honour.

Bow River Water Quality

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of the Environment. On May 2, 1984, I asked a question of the minister with regard to the pollution of the Bow River and the eutrophication study that was to be completed at that time. The minister indicated it would be completed by the summer of 1984. Is that study complete at this time?

MR. BRADLEY: To the best of my knowledge, Mr. Speaker, I don't believe the study has yet been completed.

MR. R. SPEAKER: Mr. Speaker, did the minister say that it was completed?

MR. BRADLEY: I'm not aware that it has yet been completed.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. What are the difficulties, why the one-year delay, and when is the target date for completion?

MR. BRADLEY: Mr. Speaker, when you do a scientific study of this nature, the compilation of the material — it sometimes takes time for the individuals who are doing the study to come to some conclusion in terms of the interpretation of the information. The best information I have is that the report will be available in the near future. I can't give a specific date.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Can the minister indicate whether any meetings have been arranged with the citizens of southern Alberta concerned with regard to the Bow River?

MR. BRADLEY: Mr. Speaker, my commitment to the Bow River citizens' group was that I would be prepared to meet with them once the studies the hon. member has referred to have been completed. I am still going to undertake to meet with the citizens once that report is available.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. On May 2, 1984, the minister also indicated that the department would be evaluating the report with regard to the effluent irrigation out of the Bow River. Has that report been evaluated, and what changes have been made with regard to following up on the recommendations of the report?

MR. BRADLEY: Mr. Speaker, I have to refresh my memory with regard to the specific report the hon. leader is referring to. Is he referring to the report the city of Calgary had done with regard to effluent irrigation?

MR. R. SPEAKER: Mr. Speaker, I refer to *Hansard* of May 2, 1984. I'm referring to the report the minister indicated to me with regard to "effluent irrigation, the possible alternative to river discharge for Calgary effluent." That is the study. If it was completed by the city of Calgary, then that is the one I'm referring to.

MR. BRADLEY: Mr. Speaker, I'm not aware at this time of the department's review of that particular report.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Has the minister given further consideration to additional funding for cleaning up the Bow River in the present budget?

MR. SPEAKER: Perhaps that could await the hon. minister's estimates.

MR. BRADLEY: Mr. Speaker, I believe the Assembly is aware that the province, through the Department of the Environment and now the Department of Utilities and Telecommunications, provided to the city of Calgary a grant which would provide them with some tertiary treatment capability, particularly with phosphorus removal. It was felt that phosphorus removal would best address the concerns in the Bow River, particularly the increase in nutrients in the Bow River, which increased weed growth, which created odour problems and other problems in the Bow River.

My understanding is that the phosphorus removal program has removed more phosphorus than had originally been contemplated from the water that was being discharged into the Bow River. So I believe the success of the program, in terms of removal of phosphorus, is there. What we are evaluating is the effect the removal of phosphorus has had with regard to weed growth in the Bow River. Last year being a particularly low-flow year, although the level of nutrients was reduced going into the river because of reduced volume, weed growth still occurred beyond the expectations we had originally anticipated. We are looking for a normal-flow year to properly evaluate the effect of the removal of phosphorus downstream on the river system.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister. Approximately two years ago we discussed the possibility of being able to swim in the Bow River. Will it be possible to swim in the Bow River in the summer of 1985?

MR. SPEAKER: That might depend on whether one knows how to swim.

MR. R. SPEAKER: To the hon. minister, in a serious sense. Two years ago the minister was putting up signs prohibiting people from being involved in any swimming activity in the river. Are those same precautions being taken for the summer of 1985 with regard to people swimming or utilizing the water out of the Bow River?

MR. BRADLEY: Mr. Speaker, it's not recommended that swimming activities be allowed for a certain distance downstream of sewage treatment outfalls. The local health unit has the responsibility of posting various waters as to the activities which may take place there.

Teaching Standards Council

MR. GURNETT: Mr. Speaker, my question is to hon. Minister of Education. It concerns our old friend from a couple of weeks back, the Council on Alberta Teaching Standards. As part of the minister's interest in careful assessment of education in Alberta, will he be meeting with the head of the Committee on Tolerance and Understanding to assess the merits of Mr. Ghitter's analysis of the recently announced council as developed by the minister?

MR. KING: Mr. Speaker, I think Mr. Ghitter's analysis has a lot of merit. The difficulty is that the recommendation

contained in the report of the consultative committee depends upon legislative change; that is, a new Teaching Profession Act. We already know — I read it into *Hansard* — the ATA's reaction to the Ghitter commission recommendations, and I wonder if the hon. Member for Spirit River-Fairview is suggesting that I should introduce legislation over the adamant opposition of the Alberta Teachers' Association.

MR. GURNETT: A supplementary question, Mr. Speaker. I appreciate the chance to be the subject of question period rather than the object. I simply respond that there should be ongoing discussion and that every effort made to proceed.

In May 1984 the minister gave his assurances to this House that any upcoming changes in legislation relating to the Teachers' Association:

would undoubtedly conform to the government's policy on professions and occupations and would have the effect of making the teaching profession in the province self-governing.

Could the minister outline how his new council conforms to this government's commitment to ensure that the teaching profession remains a self-governing body, or will he now confirm that the government is no longer committed to self-governance amongst professions?

MR. KING: Mr. Speaker, I think we should be very clear. The hon. member misunderstands the current situation, which surprises me, given that he is a teacher. The difficulty is that the teaching profession in this province is not currently self-governing. At the present time the Minister of Education is responsible for certifying, decertifying, and judging the competence of teachers. The hon. member knows that whenever the ATA has a discipline hearing the conclusion of which is the recommendation that someone's certificate should be removed, that is accomplished by the ATA writing to the minister, advising the outcome of the discipline proceeding, and recommending that the minister should revoke the certificate of the teacher. It is the minister who revokes certifications in this province, and it has been since 1936, when the former Social Credit government brought in that legislation. What we are trying to do is move the teaching profession from its current situation, which is not self-governing, into a situation where it would be self-governing. I would like teachers to be part of a self-governing profession in this province.

In 1981 we tried to bring in a new Teaching Profession Act, and it was rejected by the Alberta Teachers' Association. We attempted in 1984, and it was rejected by the Alberta School Trustees' Association. In the fall of 1984 we had a recommendation that came to us from the consultative committee, and that was rejected by the Alberta Teachers' Association, who referred to it as schizophrenic. In the February issue of the *ATA News* the report of the outcome of provincial executive council says that the president is directed by the provincial executive council to write to the Minister of Education and say that the ATA is not interested in proceeding with discussions about a complete revision of the Teaching Profession Act at this time.

My question to the hon. member is this: having tried four times in five years to get a new Teaching Profession Act and having failed four times, three of them on the decision of the Alberta Teachers' Association, how much longer should I wait for the ATA?

MR. GURNETT: Mr. Speaker, I will have a supplementary question in just a moment. But as a response, I will share

the advice of one of the very fine teachers I had early in my life, who said, "If at first you don't succeed, try, try again." Four efforts over six years is minimal. [interjections] I'm just responding to the minister's question.

My question is: given the analysis of the council that was made public by Mr. Ghitter, and no doubt brought to the minister's attention, and the fact that he knows what the Alberta Teachers' Association has said, is the minister now willing to consider the composition of the council, assuming the council continues to be the direction things go in, so it would allow the Teachers' Association to put forth 12 or perhaps 18 names, of which the Lieutenant Governor in Council, as opposed to the minister, would select six as teacher representatives?

MR. KING: Let me assure the hon. member that I must have had the same teacher he had in my early years, because I agree with him that if at first you don't succeed, you should try, try again. I am always prepared to discuss with the Alberta Teachers' Association the possibility of a new Teaching Profession Act. I'll have those meetings any time it is mutually convenient. I have only reached the point of saying that in the absence of progress, I am no longer willing to leave certain important questions sitting on a back burner. I will deal with those important questions in another way as an interim measure, and that interim measure will stand until we are able to make progress on a new Teaching Profession Act.

There are a few bad teachers in classrooms. We are going to discover them, and we are going to encourage them to take up another profession. If the hon. member is suggesting that we should leave those teachers in the classroom for another six months, 18 months, or five years while we negotiate a new Teaching Profession Act, then the answer to that is no.

On the second point, I'm not going to comment on what I read in the newspaper, because it must surely be that Mr. Ghitter has been misquoted. I will wait to hear directly from Mr. Ghitter. The recommendations of the consultative Committee on Tolerance and Understanding were that a council should be established, the bare majority of which would be teachers. Their suggestion was eight out of 15. My plan is six out of 11. I don't see that that's a substantive change. The consultative committee recommended that those teacher members should not be appointed by the Alberta Teachers' Association but should be elected at large by the 28,000 teachers in the province. I have said on more than one occasion that I am quite prepared to support the idea of direct election, and the registrar in the Department of Education could conduct that election. I think it would be wiser to establish the council first and let them make that decision. But if we want to have direct election, that's fine. I don't consider it any substantive departure from the plans of this government. If the hon. member will look at the proposal I made to the Alberta Teachers' Association in February 1981, he will see that that's where the recommendation came from.

MR. GURNETT: A supplementary question, Mr. Speaker.

MR. SPEAKER: Might this be the final supplementary on this topic. We've run out of time.

MR. GURNETT: [Inaudible] to pursue what I actually asked there, as opposed to what was answered. But instead, as a final supplementary, I would just ask if the minister has

given any consideration to changing the mandate of the Council on Teaching Standards so that it would advise on the practice review process in general rather than actually oversee the reviews themselves.

MR. KING: Mr. Speaker, if there was any confusion about my answer to the last question, the question was: would I care to comment on what was reported in the newspaper and attributed to the former chairman of the consultative committee? My answer was that from what I read in the newspaper, the chairman is surely being misquoted. In any case, if he has advice to give to me, he knows how to reach me, and I'm sure he will reach me directly, not by way of the front pages of newspapers.

On the other question, the terms of reference of the council are not going to be changed. They are appropriate to the circumstances.

MR. SPEAKER: Perhaps we could come back to this topic on another day. We have run out of time, but in view of the importance of the topic of agriculture and the wish of the hon. minister to supplement some information previously asked, perhaps we might deal with that.

HON. MEMBERS: Agreed.

Pork Producer Foreclosures

MR. FJORDBOTTEN: Mr. Speaker, in response to the question asked by the hon. Member for Clover Bar yesterday, as to how many hog producers were foreclosed on in the past year through the Alberta Agricultural Development Corporation, out of approximately 900 loans to hog producers, legal actions have been initiated against eight; in other words, less than 1 percent of the total loans.

ORDERS OF THE DAY

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

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (*reversion*)

MR. SPEAKER: May I draw the attention of hon. members to the presence in the Speaker's gallery of Mr. David Williamson, the Sergeant-at-Arms of the Legislative Assembly of the Northwest Territories, and ask my colleagues if they might bid him welcome in the usual way.

head: COMMITTEE OF SUPPLY

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Would the committee please come to order.

Department of Agriculture

MR. CHAIRMAN: A number of questions were asked last time, and the minister would like to respond to those before we proceed to any new questions. So I'd ask the minister if he would like to respond now.

MR. FJORDBOTTEN: Thank you very much, Mr. Chairman. I appreciate the opportunity to answer questions or respond to comments that were made on April 3, when the estimates were last up. I appreciate the comments of the hon. members of the Committee of Supply on my department's estimates. I appreciate the compliments that were directed toward me and would like to redirect those compliments to my department staff under my deputy minister, Ben McEwen, as well as to Mr. Morley Douglas, who is responsible for production; Mr. Bill Dent, responsible for field services; Mr. Barry Mehr, the ADM for marketing; Dr. Art Olson, research and resource development; and Doug Radke, responsible for planning, economics, and administration.

As well, Mr. Chairman, I would like to specifically note the untiring efforts of the chairman and chief executive officer of the Agricultural Development Corporation, because over the past year Harold Hanna has had to work many extra hours to see that the Agricultural Development Corporation responded as quickly and in the best way possible to the concerns of the agricultural community, and also the untiring efforts of the manager of the Hail and Crop Insurance Corporation, Mr. Ed Patching. Their support, as well as the support of everyone involved in the Department of Agriculture throughout the regional offices, at the director level, and right through to the district agriculturists and home economists, is really what we're all about in the Department of Agriculture. It's not the minister; it's the family of the department trying to do what they can to respond to the needs of the agricultural community. I know our duties would be far more difficult if it weren't for the tremendous effort each one of those staff provides.

I'd like to begin by responding to questions and some of the comments that were raised by hon. members on Wednesday, April 3. I really thank the hon. Member for Drayton Valley for her comments and certainly welcome her offer of support. Her points are well taken, Mr. Chairman, and members can certainly be aware that they're being considered.

The hon. Member for Spirit River-Fairview had a number of general comments on a great many areas, on his perception of this province's agricultural industry, and I don't believe he specifically asked any questions. However, I'd like to add my own remarks on a few of the concerns he raised.

The hon. member stated that he laid agriculture's concerns really on the basis of lack of overall government strategy for agriculture. There isn't time for me even to begin to read the department's general operating guidelines, which I can assure hon. members are the most comprehensive anywhere. I recall that some time ago one member wanted a copy of every publication provided by the Department of Agriculture, and I told him he had to be kidding. He said no, he wanted it, so we had to have a truck deliver it.

I think the policies and general policy guidelines of the Department of Agriculture are a pattern. In fact, other provinces are coming here to find out how we are doing things so that they can supplement or complement their own efforts. As a government we're contributing to the development and maintenance of a healthy agriculture industry in two principal ways: through providing services aimed at improving net income and through creating and maintaining an environment within which agriculture can develop and prosper. The department's strategy is to give equal priority to each of those two areas. Today I suggest that this strategy could be summed up in one sentence: to provide programs and services that will improve the contribution of Alberta's

agriculture and food sector to Alberta's economy and to the people of Alberta. In other words, by promoting increased productivity, improved resource management, value-added processing, and effective marketing of agriculture and food products and services, net farm and agribusiness income will continue to improve.

Since I assumed this portfolio in late 1982, the department has made significant strides in seeing that our basic agricultural resources of land, soil, water, credit, and people are protected and improved to the best of our ability. I suggest that the department is even leading the government in most of those areas, for we have taken to heart the concerns of the average Albertan for the future of our great agricultural industry, understanding, of course, that we must operate within the same limits of restraint that many people are now urging our government to operate within in this period of restraint.

Offhand I'd say I can think of more than two dozen initiatives we've taken within the last two years in the area of credit alone. These have involved not only direct loans, loan guarantees, and interest rebate programs offered through ADC but also education programs. Counselling was offered by both ADC and the department to one farmer. Just the other day I received some letters from individuals telling me how they appreciated the quickness with which we responded to their concerns through our counselling program. I also received some saying we were too slow. On balance, I think the response time, considering the complexity of the problems in many cases, is little longer than even I would like but in most cases is about as quick as we can make it.

We've been restructuring the department in order to ensure that the crucial resources of land, soil, and water are put to the best use throughout the industry and for all people in the province. It's through the research and development sector. We're extremely active in the ECA hearings on maintaining and expanding Alberta's agricultural land base. At this very moment we're actively seeking input from all parties in the province who might be affected by the recommendations contained in that report. Generally, I'm pleased with the recommendations of the report, and I would again note the department's involvement in that process. I assure hon. members that I fully expect the department to continue to put forth the views of Agriculture on land use anytime or anywhere they are required, because our land base resource is crucial to us.

In the same way the government is pursuing the development of new knowledge and new technology for agriculture wherever it may be appropriate. We have a very active research program and I, for one, am extremely proud of that effort. Farming for the Future is the largest research support program of its type in Canada, putting to excellent use Heritage Savings Trust Fund dollars under the direction of the Agricultural Research Council of Alberta, which, I may add, has a majority of its members from the producers of this province. I think that's the way it should be. It isn't the Department of Agriculture making decisions on what should be funded; it's the producers right from one end of the province to the other that make those decisions. I always believed that was the right approach. While Farming for the Future is really a flagship, it's basically directed towards short-term research and represents only one-third of our research commitment in terms of dollars.

The department has other excellent programs, including the Alberta Horticultural Research Centre at Brooks, the Food Processing Development Centre at Leduc, the field

crops research facility at Lacombe, and our laboratories at Olds, Fairview, and Edmonton. I'd like to note that these facilities are permanent and committed to the long term. Further in the area of long-term research, the department is working with the University of Alberta to create an agricultural research institute to support work in specific areas such as poultry, soils, biotechnology, and ruminant nutrition. Our intent is to ensure that we have an infrastructure which provides the continuity and producer involvement we need to produce top-quality research results within the province.

The hon. Member for Spirit River-Fairview mentioned the reduced communications services. In fact, there is very little difference in dollars allotted to communications this year, at \$2.76 million compared to the 1984-85 estimates of \$2.85 million. The difference in this case really reflects fewer equipment purchases and an emphasis on the use of the private sector where appropriate. We have been asked many times if there are private-sector individuals who can provide what we need at a reduced cost, so we have been looking for and utilizing those wherever possible. While there is a reduction in man-years, this is offset to some degree by the increase in professional fees. We believe we can continue to provide an excellent level of service with the resources that are being requested. I'd like to note also that all sectors of the department are involved in communications and education. We as a department have an ongoing commitment to the extension and to the process of ensuring that technology and knowledge are transferred to producers as quickly and efficiently as possible.

We have put a very heavy emphasis lately on looking at how we can transfer technology, particularly research technology. It does no good sitting on a shelf; it has to get out to the producer. How do we do that in the most efficient way possible? If there was ever a time in history when the producers needed every benefit they could get, it's now. How do we transfer that technology? We're looking at ways, and we believe the right approach is the computer technology we have and trying to move that directly to the producers as quickly and efficiently as possible.

Mr. Chairman, I'd also like to make a brief comment on parity pricing, equivalent to cost-of-production pricing, which was raised by the hon. Member for Spirit River-Fairview. I believe parity pricing is really a narrow and inward-looking mechanism. However, Alberta's agricultural industry is export-oriented. If it's going to prosper, it really has to be competitive on a world scale, and we can't translate our cost of production into demand for higher prices on the world market. I understand what the hon. member is saying: that the returns to the producer for what we produce just aren't enough compared to our input costs. There's very little we can do with respect to pricing on the world market. We have to be as active as we can on input costs, also looking at how we can become more efficient that way. Agriculture has become more efficient than any other industry in the world and has received less applause for it.

We move into the processing side. We have to be very involved there, because it's better to process products here and it gives another opportunity for our producers, but also on the marketing side. Since 1982 I've been very much involved in the whole area of export marketing and how we can become more aggressive and more involved. I was in the Pacific Rim and had the opportunity to meet with high-level leaders in the countries that I think opened opportunities for us. It's not that we're doing everything

we can; there's more we can do. I'm looking at going to the Soviet Union and other places over the course of the next year or two. Hopefully, we can make sure that we have an assured market and that we're known everywhere as a reliable supplier of quality product over a long term. We have to do all we can to work on that.

The member also brought up transportation costs. Unfortunately, the calculations he cited are an oversimplification of a very complex issue. I think he really failed to consider some crucial alternatives, such as what would happen if there were no railway capacity to export grain. I think failing to consider the impacts of the Crow, such as the hurt that's now being done to our livestock industry through the current method of payment of the Crow benefit and the result this has had on our support services and processing sector, is really significant.

Finally, I'd like to clarify one statement made by the hon. Member for Spirit River-Fairview in his conclusion; that was his reference to the producers not being encouraged by the hold-the-line budget. We've had a hold-the-line budget for several years. However, in 1985-86 the department is asking for an increase of 12.9 percent over the comparable budget for 1984-85. We intend to use our resources as wisely, efficiently, and effectively as we possibly can. However, I wouldn't call that type of increase minor. I would certainly contend that it not only shows that this government is backing up its claim to agriculture being a priority but it is also a signal to producers that this government and this minister are prepared to do our best for the industry. As was stated in the throne speech, we will be making additional moves throughout the course of the year. I'll be bringing in some supplementary estimates that cover the fertilizer program, for example. We will be looking at others.

The hon. Member for Barrhead responded effectively to many concerns regarding farm fuel, farm income, and the priority agriculture is given by this department, and I appreciate those remarks. His first question dealt with the resources the department is placing towards field services in region 4. Region 4, Barrhead, is the third-largest agricultural district in the province in terms of district agricultural offices, has the third highest budget, and is third in terms of level of staffing. The member is correct in noting that region 4 is receiving the lowest percentage increase of the six regions in 1985-86. However, that is a matter of just three-tenths of one percentage point behind the increase being proposed for region 5, which is Vermilion. While the member noted that the Barrhead region does have the largest number of farmers and farms in Alberta, Mr. Chairman, that does not necessarily reflect the type and number of extension people they require. For instance, the Lethbridge region has a large, specialized irrigation industry, and we have a number of irrigation specialists attached to that region which raises the region's total a little beyond the others. Other services such as financial counselling, soil conservation measures, and engineering are handled through other areas of the department to serve all the areas, yet they don't show up in the total of the services being used by the producers in the Barrhead region. I also note that demand for services may follow trends that last several years, and we really attempt to provide each region with services based on its needs. When a demand for services arises, I can assure the member we'll do all the work necessary and allocate whatever resources we have available to take care of those needs.

The hon. member posed a number of distinct questions. His second dealt with the role of the agricultural development

committees. These committees have a very significant role to play in our industry. I've talked at their annual conference a number of times, and while I've been in this office, I've met with a number of their committee members. I've been impressed with the dedication shown to their responsibilities and have publicly acknowledged the work they all do for agriculture.

At the same time, Mr. Chairman, not all committees have the same level of demand placed on them. In attempting to accommodate spending restraint in the last few years, it's been our general policy to have the agricultural development committees limit their meetings to matters of concern. But when I say that, I say that in no way do we want to restrict the committees in handling their principal duties with respect to ADC loan appeals, public land dispositions, and serving as advisory bodies to the government. Each member sitting here today knows that committees can sometimes go overboard. In allocating resources to committees, we have a fixed budget for 60 committees. Guidelines are necessary for how often and for what reasons the committees meet. But the guidelines aren't really firm rules, and committees with special needs or facing different situations are certainly not being restricted from handling any of them. We feel that the matters they are handling must be relevant to their original purpose. Spending restraint has affected all areas of my department in the past year. This is one area where we've asked the people to spend their dollars as wisely and effectively as possible and to eliminate unnecessary spending, and I think that's fair.

The hon. member asked for a status report on the proposed red meat stabilization plan. The federal plan known as Bill C-25 has gone through first reading but was dropped from the Order Paper. My information is that there's a good chance it will be given second reading and go to committee by the end of May. At the moment there is some concern over the plan, and given that the United States International Trade Commission is considering whether the current national stabilization program has caused injury to the American hog producers, we have to be careful. This is a complicated issue, and the U.S. now has three investigative teams in Canada looking at various items which have led to this situation. They'll be taking a close look at the current national stabilization program while they're here. If they judge that it does cause injury, their decision must stand up before the challenge of GATT. If their judgment is positive to Canada, we feel that it will pave the way for a new national stabilization program which would allow us to eliminate various provincial incentive programs which have caused so much of the problem today.

As I've stated many times, there is merit in a national tripartite red meat stabilization program, and there is significant support for that program. I understand that even Quebec, which has adamantly opposed this effort, is now looking at this program more objectively. Although I won't say their interest has shifted from negative to positive — not yet — at least they're willing to take an objective look.

In terms of balkanization, Mr. Chairman, I think there is a growing awareness across Canada that we must avoid this possibility wherever we can. A national red meat plan continues to be supported by Ontario, Manitoba, Saskatchewan, and ourselves. As I indicated, I think the U.S. countervail is causing those who oppose us to rethink that position. Certainly it is assisting us in moving forward with discussions at the federal level. I can tell hon. members that we intend to keep the pressure on the federal government to respond with a positive answer in this area.

A moment ago I referred to the U.S. imposing countervailing duties on Canadian pork. The official figures are 5.3 cents per pound Canadian for fresh chilled and frozen pork and 3.8 cents per pound for live hogs. At this time we are in favour of a national stand to resist that move. We have the option of asking Ottawa to remove the duty on a regional basis. However, until the United States issues its final decision on the purported injury caused by Canadian producers to American farmers, I think we have to keep that option open. Going ahead on our own at this time would only lead to another sort of balkanization. A number in the industry have raised with me deep concerns that if we move right now it will firmly put in place the countervail action — say, "See, I told you so." If we move ahead with some kind of support program, the U.S. would retaliate with an even higher countervail, and we could end up being in no better a position than we are now. So we have to be very careful when we walk through it.

There has to come a time when we stop this nonsense. There has to come a time when we stop trying to have provincial self-sufficiency. We're a country, and we have to work together in the international trading market. It may be that we're going to have to work even harder in terms of trying to see that a conference is held. I've asked the federal Minister of Agriculture for an immediate federal/provincial ministers' conference on this issue. We've got to come to the table. We've got to come to some sort of decision for Canada with respect to the countervail.

With regard to pork production, there has been some improvement in the situation. Last week I spent a little time at the Alberta Pork Producers' Marketing Board delegate appreciation night. I think the board members realize we have to work together to take a reasonable action if this province's pork production sector is to move out of its current difficulties. We have two main aims when we look at pork production. The first one is the optimum return for our producers. It's just ridiculous that we should have the lowest prices in North America. That's wrong. Secondly, we need an environment or a climate within this province where the packing industry can not only survive but expand and grow, where present plants can expand or new plants can come in and locate. It's good for all of us. We have to work together. The concerns we have for this sector result from marketing difficulties. We have an increased kill and fewer plants, and there has been a shift in fresh pork becoming more of a buyer's and less of a seller's market.

Regarding the European community's response to our beef import controls, as of now the EEC has not changed its tariffs on Canadian products. We understand that an agreement between Canada and the European community has gone to the respective cabinets for consideration and that while this process is occurring, the EEC will not retaliate.

The last question raised by the hon. Member for Barrhead concerned agricultural education. We have established an agricultural education steering committee which includes staff members of the department, staff from Alberta Education, and schoolteachers. This committee is addressing the concerns of both agricultural awareness and vocational agriculture in the public school system. Through this really high profile area, I understand the committee is steadily working on this subject. I hope they'll establish some concrete proposals which we can use to possibly develop new initiatives in this area.

Mr. Chairman, the hon. Member for Cypress had comments dealing with the sugar beet industry, and I offer him

my thanks for representing me in Ottawa with our sugar beet producers from Alberta in their lobby attempts with the federal government. The hon. Member for Cypress is to be congratulated for that effort. He looks tired today, but I know it's from satisfaction of a job well done. I thank him for his thoughts on the sugar beet program we announced. The supplementary estimate will go a long way toward helping producers make the critical planning decisions for this year.

I thank the hon. Member for Edmonton Norwood for his comments dealing with his perception of the current areas of agricultural concerns. He knows well the good effect that the fertilizer protection plan will have on farmers' cash flow and their ability to plant crops this spring. It shows the deep concern of all members from all sides of this House for the whole area of agriculture. I'll be bringing forward a supplementary estimate on the fertilizer program, and I'm positive it will be accepted by all members of the committee.

Mr. Chairman, those are all the comments I have for now. I'll be happy to take questions from any member.

MR. HYLAND: I want to make a few comments about the group of sugar beet growers that went to Ottawa on Sunday, Monday, and Tuesday. There were approximately 53 people from Alberta — two of which were MLAs, myself and the Member for Taber-Warner — 37 growers from Manitoba, and about 30 growers from Quebec. One MLA accompanied the Manitoba group and two MNAs accompanied the Quebec delegation. Mr. Chairman, of the group from Alberta, about half were growers and half were from other affected businesses. There were some machine dealers, feed supply dealers, et cetera. Many different businesspeople went along.

The group met in about 13 meetings with various government ministers who form the committee that has been charged with making a recommendation on the sugar problem. I talked to most of the group leaders, and they were very pleased with the reception they received from the ministers and felt that their presence was worth while. I guess we'll find out what happened at about this time tomorrow, because I think the cabinet meets on Thursdays. So we'll see what recommendation comes out of that. There were also probably six to 10 other ministers that various people met with. The groups that went to meet the ministers emphasized that it's not just an Alberta problem, that it's an industry problem in three provinces, and that it is important for them to understand that and to understand the problems associated with the industry at the present time.

Other than that, Mr. Chairman, I would like to congratulate the beet growers' associations across Canada — the three provinces and the national association — for the work they did in organizing this and the two MPs, Blaine Thacker and Bob Porter, who did most of the work in organizing the meetings in Ottawa.

MR. NELSON: Mr. Chairman, I'd like to make a few comments from the urban perspective on the agricultural industry. Not too many of us in the city of Calgary are farmers in the truest sense, although some people refer to us as farmers.

MRS. CRIPPS: If you eat, you're involved.

MR. NELSON: I'm going to stop eating, considering what's happening here.

Mr. Chairman, first of all, I'd like to congratulate the minister and his department. In Alberta we don't take second place to anybody in agricultural programs and the sensitivity to the needs of our agricultural neighbours in our community.

Certainly, people on the land today have so many different boards and government officials and so on and so forth that they must address their concerns to and try to sell their produce through that it has to be a difficult task to achieve the net result at the end of the year, which is a profit. I guess it's like being a small-business person in the city or in an urban setting in the rural area. Farmers in the main are small-business men. Certainly, there are those who operate large corporations and, as owners of land, hire people to run their operations for them. But in the main the average farmer is like the small-business man in the city. They have their own separate difficulties in dealing with the various situations they prescribe to. So if we look at the farmer as being a small-business person with possibly some extraordinary difficulties that we might not face in the cities, I think we'd be just about right on track.

Mr. Chairman, I have a couple of thoughts with regard to the estimates. I would like to make some suggestions to the minister in two areas. I'm fortunate in my constituency that I have people in my association who are extremely interested in agriculture, agricultural needs, and what have you. In the municipalities and in the cities, first of all, we eat the foods that provide us with a lot of nourishment, we do a considerable amount of processing, a lot of transportation is done throughout the province, and of course many collection areas are within the larger urban centres which transport the produce to various other communities. There are a couple of areas the minister might like to address with me and other members. The two areas are research and resource development, which I don't fully understand, and marketing assistance. I notice that there is a small amount of growth in these particular parts of the estimates.

Because of the circumstances we find ourselves in in Alberta and, for that matter, in Canada, primarily the farmer needs to market his product. To market his product, he has to get into not only the domestic market but the world market and make an impact with the quality of the product we have and the various other good things that are attributed to the development of produce within the province of Alberta. I would like to get some comments and thoughts from the minister as to what we could do by increasing marketing assistance to our farming community to encourage further development of markets overseas and certainly within our own domestic marketing area. There may be programs that instill greater usage of the product domestically as well as overseas, but in those areas I would like to suggest that we go a little bit further. I know we're all under restraints, but every dollar of produce we can sell on the market is certainly worth a few cents of investment in marketing that product.

The other comments, Mr. Chairman, relate to research and resource development. I know the food processing centre in Leduc is now going gangbusters, and I'm just wondering if we can't enhance that a little more by doing some additional things as far as research and resource development in the area of food processing and also making our farms more efficient in their operations and assisting our farmers in that manner. The whole initiative here would be to respond and have others respond by bringing their factories and processing plants to Alberta. When we can produce here, we have a value-added product, and as such we can

compete within the domestic market as well as possibly internationally. So I think we should examine those particular areas to see if we can't do a little more, because as I've already indicated, for every dollar we market, produce, or otherwise, a few cents spent will certainly go a long way to improving the life-style of our farmers and also the job situation both on the farms and in the urban centres in Alberta.

One other thought, Mr. Chairman. We all know about the Jaycees' young farmer of the year program. I certainly encourage the minister to find it in his heart to assist in the funding of this program to the small amount of — I think it used to be around \$2,500 a year. I know the chap who is working with this in Calgary has recently been to Ontario to talk to his counterpart there. This is a very sincere initiative by the Jaycees, and I encourage the minister to further assist this program with a little funding to encourage not only them but also our young farmers.

Mr. Chairman, I would like to thank you for bearing with me. Hopefully, my comments will be of some use in this discussion. Thank you.

MR. FISCHER: I also wish to thank the minister and his department for the work and the co-operation they have given me and the folks in my constituency. I was very pleased to see the 12.9 percent increase for the Agriculture department this year, and I commend the minister on his decision to boost the ADC funding 26 percent. This program has been very beneficial to the new and young farmers in our constituency. It's a very good program that we can be proud of.

[Mr. Purdy in the Chair]

I would like to mention a few items where my constituency would like to see our Agriculture department concentrate their efforts just a little bit more in the future. I'm probably going to repeat a little bit of what has been said. One of the areas is the General Agreement on Tariffs and Trade. This has been a problem for quite a while. Agriculture is not receiving the priority it deserves in Ottawa, and agricultural commodities are being used as a bargaining chip for the protection of central Canada manufacturing. Ontario and Quebec tend to be more protectionist, and they are influencing these GATT agreements. Our Alberta government must push for freer trade, as noted by the Premier in the throne speech as well as at the First Ministers' Conference. Currently 35 percent of U.S. exports face Canadian tariffs, and 20 percent of Canadian exports face U.S. tariffs. In both cases these tariffs favour central manufacturers over western agricultural producers. We feel that there must be more provincial representation on the Canadian General Agreement on Tariffs and Trade delegation to protect our agriculture in western Canada.

One of the other issues, of course, is the review of the Crow benefit. This affects not only our Wainwright constituency but all the producers in the province. The throne speech mentioned that Alberta was committed to changes in the Western Grain Transportation Act to make some level of payment to the producers. The Crow benefit, \$659 million, is now being paid totally to the railway. This is to be reviewed in '85-86, and the Hon. Don Mazankowski is being pushed to delay this review. Alberta needs to make strong representation to have the Crow reviewed and changed so that our producers get some portion of that benefit.

Another problem we seem to have in our area — and it's growing into a fairly big one — is the use of potable water for oil field injection. The oil industry is applying for permits to use from 650,000 to one million gallons per day. The applications for permits are growing all the time. In view of the fact that there is no aquifer recharge from the water injection that goes back into the oil formation and that there's a plentiful supply of salt water, I would like to see the Department of Agriculture take a stronger stand on the control of our very valuable fresh water. We have had a policy in the past that domestic use is first, agriculture use second, and industrial use third. I can see this policy eroding a little bit in our area.

Another concern is both the \$73 million farm fuel distribution allowance and our newly announced \$47 million farm fertilizer price protection plan. They are excellent plans for our industry. The removal of the royalty tax on fuel used to produce food makes good sense, but my concern is that the benefit of both these programs go to the producer, as it was intended, and not to the oil and fertilizer companies.

Another issue is market development and international trade, which is vital to the well-being of our agriculture industry. We have some of the best farmers in the world, but increasing our efficiency and producing more product becomes a problem if we can't sell it. We recommend that we funnel more of our resources, both financial and physical, towards export promotion and the market development of these products.

I would like to commend our government for having the foresight to instigate the construction of the Prince Rupert grain terminal. Alberta farmers will soon begin to receive the economic benefits from this project, and given the economic conditions right now, the timing could never be better. I would like to ask the Minister of Agriculture if the arrangements for the agriculture caucus to attend the official opening on May 16 have been completed. Alberta can be proud of that grain terminal, and it would certainly be nice to be there.

I would like to congratulate the Department of Agriculture. We have a good department and they've done a good job. We have a good minister running it.

Thank you.

MR. GURNETT: Mr. Chairman, I appreciate the responses and the information provided by the minister to some of the questions I raised earlier and this afternoon would like to bring up a few other points that are a little more specific in some cases, dealing with particular items in the estimates.

The cut I see in the engineering services in the field services area concerns me a little bit. It is being reduced by about 9.6 percent or about \$300,000. As I understand, a significant part of that reduction is in the budget of the home and community design branch. I would like to briefly remind the minister of some of the very good things that have been said about the home and community design branch and look forward to his commenting a little later about the reasons why this particular area might have been so seriously affected in its budget.

The home and community design branch basically assists farm families who are planning houses to build the best possible houses. One of the well-known things they've done is the publication of a book called Low Energy Home Designs. It's one of those many excellent Alberta Agriculture publications that we talked about previously; in fact, a publication that is so good it has since been picked up by an American publisher. It's a book that was available free

to farm families in Alberta over the past few years and has enough good ideas that it's going to be available commercially at a very high price in bookstores in the future. That's the quality of work that the home design branch was doing — helping people to be sure that they had planned and then would be able to build appropriate and energy-efficient housing.

They did their own internal review of their work. Some of the information is a little bit outdated, but let me share some of the highlights of their review of their work as a branch. Of the people who responded to their review, 87 percent were engaged in farming. Obviously, it was a service that was being used by farm families. On a scale of one to seven that they used in their review, with seven meaning absolutely satisfied with the services provided by the branch, the average of all the responses they received was five. So the branch was rated very highly.

Eighty-two percent of the respondents said the home and community design branch staff had helped make them more aware of the special requirements of a farm home compared to just buying a package from the local co-op or lumber yard. That includes some of the special things related to energy efficiency in rural areas where homes are out in the open by themselves; more effective use of the site so that the house is located and designed for the particular site; and some of the special things that need to be done with entranceways, lighting, and building or incorporating office space effectively into the house so that there's some privacy and yet the convenience of having an office in the house, because most farms need an office as part of the house now. The great majority of people that responded indicated that the branch helped them plan and build a house that was particularly useful for their functioning as a farm family. Over 75 percent of the respondents also said the changes the home and community design branch staff made in their plans were, in fact, helpful and resulted in their building a better house.

They were also asked other questions. The respondents ranked as most important the work of the home design branch in saying that the changes resulted in their having a house that functioned better and that the plans met their family needs and their life-style more successfully than the house they would have designed without the help of the staff.

When people were asked by the branch what the most important reason was for contacting Alberta Agriculture for assistance in planning a house, 29 percent said the fact that it was a free service available through Alberta Agriculture. Many farm families are living on very tight budgets. When they look at something as important as building a house, they want the best possible house, yet they often can't afford consultant services that cost them money. Another 24 percent said that what they appreciated about the home design branch was that the staff was available locally, so they could actually meet with and assist them on a very personal basis. Fourteen percent said the most important consideration for them was the fact that Alberta Agriculture understands farm housing needs, and I think that is a very good comment. So there is a clear indication there that farm families in this province felt that this was a very appropriate kind of service to be offered by field services, something they benefitted from.

Ninety percent of the people who responded to the branch survey said they would use the planning service again if a need ever arose, and 92 percent said the farm home is very important to the farm family. I should mention one of the

very practical benefits of the assistance. This survey was done in 1984, and I know a lot more building was done last year as a result of homes that were planned through the help of this branch. Between 1980 and 1984, when this survey was done, there had been a total of \$13.6 million worth of new homes built by people who had designed them with the help of the branch and \$2.7 million worth of remodelling on existing farm homes.

Mr. Chairman, it seems to me this was a branch in the department that very clearly served an important need and was very much appreciated by farm families in this province. I would be interested in comments on why it was decided to make such significant cuts in the budget of this particular area. We have a highly successful office of the department, and the long-term benefits from quality housing are something that have to be looked at, both economically, in not having to do other remodelling, upgrading, or repairs because the house is built right to begin with, and socially in family life. A well-designed home, the physical setting a family lives in, has a lot to do with living successfully as a family. Convenience benefits of an efficient home with a well-designed kitchen, a well-designed office, lighting where you need lighting — these things can result in time savings and convenience savings for a farm family.

While it's perhaps not very many dollars — some part of that \$300,000 that's been cut from engineering services — I'm concerned that the cuts here are a case of chipping away. Here's a service that could provide major benefits for minimal amounts of dollars, yet its ability to do that has been significantly eroded. I'd appreciate the minister's comments on why the decisions to make those particular changes with regard to the home and community design branch were made.

By the way, I'd like to commend the increase in field services to the Fairview regional office. It received a 4.2 percent increase this year. That brings its budget back into line with comparable regions. It's good to see that Fairview will again have money available to use that's comparable to other areas, and I appreciate that fact.

Mr. Chairman, I'd like to comment on the farm financial management services and would be glad to hear the minister's comments on that later as well. Certainly, farm financial management services are a useful thing and it's good to see more money being made available there, but still I have a fear that the real problem is not addressed by putting \$2.5 million into financial management services. In many, many cases that I'm familiar with, the financial difficulties of farm families are not related to the fact that they're poor managers but are, again, related to that cost/price squeeze that I know the minister and many other people here are concerned about. The management practices are good enough; it's other factors that have caused the damage.

I think some of the damage has been done simply by the fact that during the boom economy days, the financial advice that was available in some cases through ADC officers encouraged expansion and undertaking a level of indebtedness that may have seemed reasonable at the time but should have been approached much more cautiously. I understand now that in some cases the financial advice of some of the officers is, "Well, keep working out in the winter, and don't look at expanding."

So I simply ask for any comment that indicates whether the financial management services are going to be tied to and function as part of the boom-and-bust system that has economically hurt this province in various areas over the years or whether these services are going to be able to

help us guarantee that farm families are not victimized by the boom-and-bust system, that in fact we'll have management advice available there that will show farm families how to be sure that they stay financially viable despite those other kinds of problems created by boom and bust. I certainly hope that's going to be the direction and that the expertise available through the financial management services will make that a priority or a primary goal as it's working.

I'm concerned about the fertilizer program as well, Mr. Chairman. I've commended it before and I continue to stand by the fact that it certainly provides some assistance to farmers, but I'd just like to use somebody else's words to make a comment that I think is important and remind the minister. These words come from an editorial in the *South Peace Farm Week* for April 10. After initially commending the program, they say:

The point is that the publicity and jubilation about fertilizer rebates can be carried too far. . . . too much emphasis on this one goody from the provincial government can have the effect of not allotting enough print or attention to farm problems that are far more important than this rebate.

... The rebate should not obscure the fact that many farmers are going under.

I just remind the House and the minister of that point. It's a small service that provides a little assistance on each acre, and every bit of help with high input costs is valuable. But I hope we'll continue to see programs developed that more comprehensively address the situation.

Even in connection with the fertilizer program, keep in mind that we didn't address, for example, the possibility of dealers or manufacturers simply raising the cost of fertilizer. Today I understand the Alberta pool has again increased prices. Through this program we didn't guarantee that the extra dollars made available through the rebate will not simply become extra dollars for the dealers and/or the manufacturers to pick up and increase their profits.

I also have some concern that the program, by providing the rebate to farmers who buy fertilizer no matter what its source, doesn't provide any particular encouragement to the Alberta fertilizer manufacturing industry. I think it would have been nice to provide some particular encouragement to those Alberta-based companies that are producing fertilizer so that if anybody benefitted, it would go to Alberta suppliers of our Alberta producers.

I'd also like to comment, Mr. Chairman, on a situation that I talked about before when I commented on the earlier estimates. That's the issue of the perception that decisions are made internally by Alberta Agriculture. For example, there's some concern among a number of producers about the line that was drawn on the map to show those cattlemen who would and those who would not receive feed assistance because of the drought situation last year. The perception among producers is that that line was decided on very arbitrarily by a few people working in an office someplace and that it didn't really reflect a careful look at where there had in fact been drought conditions suffered by people raising cattle and where there had not been. It may be that some of that study was done, but I'm concerned about a perception that exists among a growing body of producers in the province that whether the background work is being done or whether arbitrary decisions are being made, the farmers, the producers themselves, are not consulted frequently enough.

The minister has responded to my questions here in the House with a number of facts about the crop insurance

program. Obviously, there has been some special consideration to producers in the north in connection with crop insurance. But the perception among producers is that they have not been a part of the consultation that's gone on to guarantee that that happens. I hope that action can be taken by the department to give farmers a real sense that they're part of that family. The minister commended the departmental family, and yet that's only a small part of the farm family, the family of producers and supporters of producers within this province. There has to be a feeling that all of us, no matter what role we play, as a small producer or as an agency that supports agriculture, are listened to and even that our opinions are sought out — not only that they're given a hearing when we insist and when we come and persist but that in fact the department is making a regular effort to find out what producers in the province are feeling. I think the money that's spent by the department would be appreciated in a new way if there were an effort to make clear and to get out and listen more carefully and widely to producers in the province.

Those are just a few other specifics. As I said, in some cases I see money that was there in the past disappearing. In some cases I would like to see money being invested in something that it doesn't seem to be invested in. In other cases I'm wondering whether the money that is apparently going to be spent is going to be spent in ways that will achieve the very best for families and farm producers in the province.

MR. DROBOT: Mr. Chairman, in rising to make a few comments in relation to the estimates in Agriculture, a subject that's very dear to the pocketbooks of my constituents, I would like to commend the minister for some bold initiatives he has made with regard to farming. We're all aware of the input costs, the cost/price squeeze, and the large amounts of operating capital needed for farming today. The fertilizer incentive, the fuel rebate, the assistance for beginning farmers, and funding for extended technology, marketing, and financial information for farms and agribusiness are just part of this government's commitment to agriculture.

It has been a pleasure for me to sit on the agricultural caucus committee, and I have the highest regard for my colleagues on that committee. Perhaps they're so mentally alert because the meetings are usually at 7:30. In horse circles we call that being sharp shod. These concerns and debates on agriculture, of course, are very enlightening. If more people could hear them, they would know that, yes, this government is committed to the interests of agriculture.

At this time I would like to urge the minister to use every means possible for the establishment of a new packing house industry in Alberta, preferably north or central Alberta. It is getting impossible for a small beef producer to move small lots of cattle to the southern feedlots or to the Calgary packing plants unless they have liner loads. We have hundreds of these smaller farmers throughout northern and central Alberta who are affected by this. It is essential that every means possible be explored and initiatives provided for a packing house industry. This is vital to the prosperity of our agricultural industry in northern and central Alberta.

In the constituency I represent, we have many small farmers, young farmers who prefer that life-style, who work part-time or else their wives work out of the home. On one hand, we have the expert pundits who say that the small family farm is a thing of the past. They say that governments do not have an obligation to assist farmers

who have been relatively prosperous in former years — survival of the fittest. Well, Mr. Chairman, I think they are wrong. All farmers have come to depend on higher technology, motor-powered machinery, trucks, fertilizers, pesticides, and more land to keep them operating.

Agriculture runs in cycles, and we will again see prosperity and growth in farming and in the small towns and small business that is related to agriculture. Hanging on is the difficult part. With drought and prices, 1961 was a very devastating year in agriculture; 1971 came back stronger to a new high. The belief was that in farming prosperity would last forever. Farmers were encouraged to expand by the lending institutions, who should have known better. But just as the sick get better and spring wipes out the misery of winter, agriculture will come back better and bigger than ever. Yes, I believe we have an obligation, and I am proud that this government has taken action to lighten the burden.

Thank you.

MR. PAPROSKI: Mr. Chairman, I too would like to pass on my accolades to the Minister of Agriculture. I know that the constituents of Edmonton Kingsway truly appreciate the many initiatives he has put forward throughout the years. The hon. minister from Macleod should indeed be commended.

As a member from an urban riding, I think we too often forget where the tremendous and beautiful foodstuffs and other agricultural products come from. Those citizens in Edmonton and Calgary and other large urban centres who visit their huge Superstores, Food-for-Less, Safeways, et cetera, et cetera, probably forget where all these products come from. Where do they come from, Mr. Chairman? They come from the sweat and hard work of our rural citizens, the many farmers and individuals who are involved in the agricultural industry. Too often we do not give them enough pats on the back for the efforts they put forward for all citizens.

Mr. Chairman, I have two or three specific questions I'd like to ask the minister. First of all, dealing with vote 3 and marketing assistance specifically, can the minister outline initiatives taken in marketing Alberta agricultural products here in Alberta and across Canada? In particular, though, I'd be interested in any studies his department has undertaken to evaluate the Better Buy Alberta identification project. Secondly, in his opening remarks the minister alluded to the marketing of agricultural products being stimulated through overseas offices. Can the minister indicate what percentage overseas markets make up of the total market for Alberta agricultural products?

The third comment I'd like to make is in reference to a comment the minister made today which deals with education of those in agriculture and those who are involved in the many aspects of the vast components. I'm not a farmer or a rural member, but I am an educator. I have a brief in front of me entitled Alberta Producer's Grain Transportation Survey, done by Angus Reid Associates Inc. in January 1985. What concerns me is that the survey, which deals with 611 Alberta agricultural producers, asked a number of questions dealing with the Western Grain Transportation Act, a major Act having major impact on all Albertans. The conclusions that came out of this report indicate that there's a dearth of knowledge on behalf of many producers about what this particular Act has. I won't go into all the specifics, other than to say that the report concludes that Alberta producers need to know what it costs them to transport grain. That's astounding. A comprehensive

review of the Act will be held in 1985-86. Secondly, the provincial government's position on the method of payment of the Crow method; and thirdly, more about the effects of the Western Grain Transportation Act on their farm operations.

Mr. Chairman, I'm not asking for a specific reply to this particular report. It's a general question dealing with education of those in the rural communities associated with agriculture. It must be a very difficult task to communicate with all those producers and all those involved, but surely — I suppose I have to ask the minister how information is passed on and distributed to those directly involved when a major Act or a major Bill or major initiative is implemented.

Thank you.

MR. WOO: Mr. Chairman, I note with interest that the minister has a number of his senior officials in the galleries this afternoon, which prompts me to convey, through him to them, my appreciation for their dedication and expertise in terms of what they do best, and that is servicing the agricultural industry in the province of Alberta. I note with particular interest the presence of the assistant deputy minister, Mr. Barry Mehr. As all hon. members know, Mr. Mehr has been very active in the area of international trade relations, in the Pacific Rim particularly, with our sister province of Heilongjiang in the country of China. I'm always prepared to lend assistance to such an individual as Mr. Mehr, and I would suggest to him, through the minister, that he could probably achieve a higher degree of success in marketing Canadian cattle to China if he took the time to teach Canadian cows to speak and respond to mandarin Chinese. There's a lot of truth to that, believe me.

Mr. Chairman, I have a concern I would like to raise with the minister at this time, on the understanding that I believe it also transcends a number of departmental lines. With the assistance of my hon. colleague from Barrhead, I have attempted to inform myself as well as possible. This deals with the question of provincial legislation that relates to the pasteurization and commercial sale of milk in the province of Alberta. As I understand it, the provincial legislation specifically deals with commercial retailing of pasteurized milk but at the same time provides an accommodation where, on a local basis, a municipality level for example, municipalities have the ability to enact bylaws that would bring compliance with the provincial legislation. But this is solely at the discretion of municipalities. The question has been raised with respect to the sale of raw milk, particularly at farmers' markets, and certainly what I have to say might have some negative impact in that regard.

What has prompted me to raise the question to the minister is a letter I received from the medical officer of health in the Leduc-Strathcona Health Unit, in which he has expressed some very serious concerns with respect to the bacterial content of raw milk. Certainly, his letter is very explicit and well documented. I raise that question to the minister: if he might contemplate making amendments to the legislation that will provide an application of provincial jurisdiction to the extent that it would preclude municipalities from that option of whether they will in fact enact a bylaw that will address itself to the sale of raw milk.

The second thing that prompts me to raise the question is an article that comes out of Springfield, Illinois. I'm sure hon. members will have some remembrance of the initial reports that were made in early March. The article reports that the number of confirmed cases of milk-borne

salmonella poisoning rose as of Tuesday this week to more than 6,000 in five states in the United States Midwest, which includes an increase of more than 800 from a day earlier. It further goes on to report that four deaths have been linked directly to salmonella poisoning, and seven other fatalities are currently being investigated for a possible connection.

On the basis of the letter and the article, Mr. Chairman, I would ask the minister to perhaps respond as to whether or not there is sufficient concern to possibly look at an amendment to the existing provincial legislation that will address what I perceive to be a concern that has some relevance in terms of the public interest.

Thank you.

MR. MARTIN: Mr. Chairman, many issues have been covered here. I'm sure the minister is glad there is so much interest in agriculture. I recall, even in my time, it going along much quicker. I don't know if the minister appreciates all the interest, but I think he would recognize that times have changed with the family farm. Of course, my colleague has taken most of the issues that I would talk about, but he would be pleased to know that we all had to bone up and know a lot about agricultural issues in Spirit River-Fairview if we wanted to be involved in that by-election.

The point I would like to make comes back to an area that I talked about just briefly, because I was ending up the last day the minister's estimates were up. I made the case, and I want to refer to it again. It's not us saying it, because the minister has heard my colleague now and my late colleague talk about some of the things we're advocating. I refer again to the annual presentation by Unifarm to the members of the caucus committee on agriculture. I know the minister will have had time to peruse this. I pointed out in the last session some, to me, startling things they were saying. I went through and repeated them; I don't have to do that again, because the minister is well aware of it — comparing times to the Dirty Thirties, really, and making the case. I thought the case they made was quite persuasive. They went on to suggest some changes to the government, some short-term and longer term ones. Rather than my going through them individually — I know the minister is aware of them — I wonder if there has been a response to Unifarm and specifically what the government is saying about some of the things they are advocating. I think that would be of interest to us as the Official Opposition if we could get the minister to comment on that.

The other thing I will bring back, though, and my colleague will be talking about it. I say this to the minister: I know we have disagreements on this, but we really think, and there's some evidence of it, that with the whole idea of a debt — not just moratorium. One of the problems we face is interest rates, and they make it very clear here. Like all small businesses with difficulties with cash flow — farms face this more than the rest of us. If the interest rates fluctuate, especially up, we know what that does to people. I know the minister's argument in the past. We've had discussions in the Assembly that it will somehow dry up the credit. But I say to the minister that if you have the moratorium with what we are promoting, a debt adjustment board, the two go together. Historically the evidence is that it has just not been the case that it has frozen up credit, if you like.

As we see the debt adjustment board, it's not to forgive loans. There may be cases where people are so hopelessly in debt that nothing can be done. But the vast majority of

family farmers are good managers, and I get rather perturbed when people have been in the farming business for 25 or 30 years and all of a sudden they're told that they're bad managers. I'm not suggesting that the minister said that, but you hear this around. I think that's not the case with the vast majority of farms. The way I see the debt adjustment board is not for them to forgive those loans — because they are loans; they have to be paid back — but to intervene. Before any financial institution could move on a farm, they would have to deal with this debt adjustment board. That debt adjustment board would have the power to reschedule the loans over a longer period of time and to take a look at the situation, to help keep that farmer in business. Frankly, over the long haul the more farmers we keep in business, it's good business for Alberta. I think the minister would agree with that.

I say this to the minister: I know it's going back in the past, that it was brought in by the Farmers' government, and for the time being; we're not saying it has to be there forever. In our Bill we talk about a five-year period to get through these times. It did work for a time with the Farmers' government when they brought it in. We can learn from the past as well as look to the future.

I want to give the minister an example that I think struck home to me when I was — it will not come as a shock that I may have been campaigning in Spirit River-Fairview. I was in the town of Spirit River and talked to a woman there who was in partnership with her husband in a local store. She started to talk about interest rates. She said, "You know, we had the farm and we still have it, but we rent most of it out." They've moved into town, and they have their own business in the store. But the more interesting part about it was that she talked about her father during the rough times in the Thirties. She said that at that particular time he was being foreclosed on by the banks, but because of that Act at the time he was given — if I can put it this way, and this is what we're talking about — some breathing space. They could not move in on him. So he got his act together, if you like; eventually things got better for him. The real point I would make is that some years later he was appointed a master farmer in Alberta. I don't need to tell the minister what a compliment it is to be appointed a master farmer. I know the minister sees my point. If it hadn't been for that debt adjustment board, he wouldn't even have been in farming. Obviously, it wasn't because of mismanagement, because he wouldn't have automatically become a master farmer later. That's the point she was making.

[Mr. Appleby in the Chair]

I say to the minister with all sincerity that some farmers — not all, but some — need this breathing space, and this is why we have promoted the moratorium but with the debt adjustment board. If you just have the moratorium, as they do in Saskatchewan, you're looking at only half the problem. I suggest that perhaps the credit would dry up. But with a debt adjustment board — if I were a financial institution, surely the last thing I need is a hundred farms. What am I going to do with them? But if they thought there was some chance that they'd get their money back, even if it's a longer period of time. I really suggest — and this is the history of it — that they might look at it in a more serious nature. I suggest to the minister in all sincerity, because I know he's sincere about wanting to help farmers, that just because we're advocating it — change it another way.

change the name, or whatever. But I think there's some merit in it, and it has worked in the past. I again make that case here in the Legislature to the minister, Mr. Chairman.

The only other area, because most of it has been covered — the minister has alluded to red meat. I'm a little concerned, and it has been in question period. I know the minister does not like the artificial things that Quebec, say, is doing with hogs and these sorts of things, and we'd like to have a national red meat commission. I agree with him, but my concern — and I wish the minister would allude to it — is my understanding that at one time it was a major industry for Alberta, and we know what's being happening to this industry in the past. My figures are that in the late '60s we had some 22 percent of the Canadian market. Because of various things — and we can debate them, but there are a number of reasons — that part of our market has fallen to 12 percent. My problem right now with agreeing to a red meat commission is: on what figures would we base it? Can the minister tell if it would be where we are now? We've lost a lot of the market over the past number of years. Or would this red meat commission recognize and go back to the days before there were subsidies and before our plants fell apart and all the other reasons, back to when we had 22 percent of the market? I suggest to the minister, and it follows up what the Member for Clover Bar was alluding to yesterday, that if we don't do something for our province's farmers — if we could get back up, even if it were negative in the short term, I think we owe a responsibility to our province's producers. If that's a way to get our market back up — at least closer to the 22 percent. I have some concerns about that, because if the red meat commission comes in now, perhaps we would be freezing it at our lowest levels. I expect that's a concern of the minister. I hope he will have time to comment on that aspect of it.

With those few concerns — I think my colleague has covered most of the other areas well — I wait for the minister's reply.

MR. BATIUK: Mr. Chairman, I think I would be remiss if I didn't make a few comments, but first of all I would like to commend the minister for his continued support for agriculture and for the stand he has been taking on farm issues. True enough, energy is very important, and manufacturing and everything else. But agriculture has been the basic industry. Once the energy is gone, the land is still going to be here and it's going to continue to be the basic industry.

A number of things, many of them difficult, have transpired over the past little while and during the minister's term of office. One is the resolving of the seed cleaning plant in Vegreville. I really appreciate that the minister, and even the former minister, changed the seed cleaning plant policy three times to be able to accommodate the Vegreville farmers to have their seed cleaning plant. Unfortunately, because of the dissensions on county council, it took several years longer, with a cost of more than twice what they could have done. However, Mr. Chairman, it was a real pleasure last December to attend the official opening, and I understand the plant is doing exceptionally well.

Another area I feel very thankful to the minister for is his bestowing upon me the acting chairmanship of the Alberta Grain Commission. For a number of years, I guess 13 to 14, a very qualified person was the chairman of the Alberta

Grain Commission. When he retired, the minister asked me if I would be the acting chairman for a short while. That short while went to 16 months. It was difficult because we lost some profile, but it was a real challenge and the Alberta Grain Commission didn't die during that time. But I am glad that we have a chairman. He's capable; he's very knowledgeable. I'm sure he's going to continue with the work.

During the years I served on the Alberta Grain Commission, on numerous occasions we made representation to the Canadian Wheat Board that there should be a national feed grain policy that would not be a detriment to western Canada. A private member's resolution making the request was introduced in the Legislature and debated. However, for some reason there was never any response. Just a couple of months back the Minister of State responsible for the Canadian Wheat Board wrote me a letter, because he was well aware of it, asking for input to a national feed grain policy. This was something I thought would never come. So with a change of government and a change of attitude, I think we can look forward to some positive changes.

Another area I'm very glad of is the completion of the Prince Rupert terminal. I had the opportunity of viewing the area and the old terminal about three years ago. Even though I felt that it provided good service, it was already old. But what really disappointed me most was not that this terminal was not doing the job for loading grain but the cleaning it had to do. I would say that at that time 85 percent of that terminal was cleaning grain and not loading. I think that's where the problem was. I guess there were about four floors and a number of cleaners on each floor. They'd clean for about half an hour. Then they'd stop and unload that grain; it would take them a matter of a couple of minutes to do it. Then the cleaning came on again. I think the grains should be cleaned on the prairies and not taken to Prince Rupert or to the west coast for cleaning.

I had to speak to the Seed Cleaning Plant Association a couple of years ago. I researched and found that at that time 8 percent of all the grain that was taken to the west coast was dockage, and that would come out of — one would say eight cars in every 100-car unit train, but this is not so. Because of the weight of dockage, probably it would take 11 or 12 cars to do that. So I feel that grain should be cleaned on the prairies and that dockage could be fed every year.

Another area: I sure hope there will never be drying at Prince Rupert. I don't think there was very much of it done, but there was the drying of grain because of the humidity there and so forth. With 4,500 grain dryers on farms north of Red Deer, there should not be any moist grain going to the terminals.

This year Accent '85 was held in Lethbridge to coincide with their century celebration. Previously it had been alternated between Edmonton and Calgary. There were about 250 people participating, which was as many as would participate in Edmonton or Calgary. It was very successful, and I appreciated the hospitality of Lethbridge.

I am glad the minister took this stand to provide assistance for farmers by providing a subsidy on their fertilizer purchases. I know this is not the answer, but it's going to help. I only hope a good eye will be kept so the companies do not absorb this in some way or other. True enough; maybe people who are buying their fertilizer can look elsewhere, but it makes it very inconvenient.

There is a thing or two I would like to mention about the Ag Development Corporation, which I think has done

very well. It has provided assistance to a great many of our young people particularly. I wonder where they would have been if it wasn't for that. However, I sometimes wonder whether the minister wouldn't consider that the appeal committee should be restructured in a different way. For some reason, when I look at them, it seems to me they are very much like a rubber stamp. The application goes to your main office. If it's refused, they can go to the appeal committee. The appeal committee studies it. Then it goes to the head office again, and they can do what they want with it. I'm making reference to Social Services and Community Health. There is an appeal committee there, but their decision is final. It's doing wonders. When I think of all the problems we had with the assistances and so forth — this appeal committee is doing very well. So it may be something to look forward to in the future.

I again stress to the minister that we hold another joint meeting, like we did a few years ago, with agriculture and health officials. Recently I've been very, very disappointed. Agriculture is trying to do all they can to help some of these individuals who are finding financial difficulties, yet the health inspector will get in and stop everything. For some reason it seems he has authority over the people from the Department of Agriculture, Fisheries, and so forth. Maybe a joint meeting like we had a few years ago is necessary. That is the time the health inspectors were going to shut down the farmers markets and so forth.

With these few suggestions, I hope the minister will look into it. I again want to express my appreciation to many of his staff, particularly in his office. I think the success of the minister has been the staff in the office. I would really like to pay tribute to his former executive assistant. He was a person that you could go to at any time you had a problem. Even if the minister wasn't around, I think he acted in the capacity of the minister. I really appreciate all that he has done.

Thank you, Mr. Chairman.

MR. LYSONS: Mr. Chairman, I too would like to get into the debate. I would like to ask the minister some questions. I'm sure he won't be able to answer some of this without checking with Ottawa. I'm told that the federal government has not hired as many people or has, in fact, laid off some people in the sales of agricultural products. I wonder if the minister could check into that for us. I know that our minister, Mr. Schmid, has been doing a tremendous job for us. But if the federal government is slacking off, I think we should check into it. I'm sure it's not true, but if it is true, I think a little bump there would help.

The hon. members across the way in the Official Opposition were talking about a debt moratorium for farmers. I have to suggest that that would be a last ditch thing for you to look at, Mr. Minister. Certainly it may help some people, but for the rest of us who are fully involved in farming, a debt moratorium wouldn't help the vast majority of farmers.

The opposition has been talking long and loud about doing away with ADC. Certainly ADC has some problems, as does any loaning institution. But to have a source of credit dried up at this particular time and to have it turned over to the Treasury Branches, as has been suggested, I think is completely wrong. How foolish can a suggestion be? In ADC we have some very, very capable people who are dealing with farmers on a completely agricultural basis. If you look at Treasury Branches, they have to deal with

all comers and do not specifically deal directly with farmers. I just can't believe that this could be a suggestion.

It's often been said that this government has not done what it could for agriculture. There are probably a few more things we could do. However, I think the Alberta government has come an awfully long way. I'll just cite some examples. One of the people I'm very, very proud of and have had a lot of satisfaction in dealing with is our Farmers' Advocate and his office. Mr. Minister, the Farmers' Advocate office is an invaluable tool to farmers, not just in having someone to talk to but someone who understands and will go to bat for us.

This government has helped with the Prince Rupert grain terminal, which will be opening shortly. I think you, Mr. Minister, should be commended for proceeding with that project and, indeed, giving another source of terminus for our grain. Hopefully, it will create additional storage space. One of our biggest problems on the prairies normally would be our port-side storage capacity.

Mr. Minister, one of the things I think should be pointed out in this discussion of your estimates is the fact that if we think farmers and the economy have suffered to this point, we've got to remember they're going to suffer some more. If you talk to most farmers, their cow herds are way down. I'm told that in my area they haven't got as many cattle in the feedlots, and the granaries are pretty near empty. I do not predict doom and gloom, but I think we've got some really tough times ahead in reserve cash for farmers.

Having worked in a situation where we loaned a lot of money to farmers. I would like to point out to the hon. opposition that never did I have a farmer come to me and ask for money and tell me that if he got in trouble, the government was going to bail him out. It isn't done. Every farmer who goes into farming or continues farming knows that he's competing with the rest of the world, on a worldwide basis. Whatever we do, we've got to remember that government can't do everything. Certainly, it would be nice to continue with the interest shielding program, which helped our farmers a great deal. But if there was anything that really caught me up and surprised me in the last provincial election I was involved in, when we had the interest shielding program, it was how many farmers were saying, "Hey, that's not fair," because they weren't borrowing money. That was very, very true. There were an awful lot of farmers who weren't borrowing money and felt that we shouldn't have been doing that.

Mr. Minister, as I finish, I'd like to suggest to you that one of the very valuable things that could be done in our particular constituency and in most of the parkland farming areas would be to advocate the stronger and better use of grain dryers. I know I have a vested interest in it — not financially, in case you guys over there are sharpening your pens, but politically. We have Lakeland College, Olds College, and Fairview College. I'm not sure that the emphasis has been placed on grain dryers and their great advantage. I'm told one of the greatest markets for grain dryers is in the Peace River country, but certainly in all the parkland area. If we had a program through our college systems or whatever way, we could set up grain dryers where the training could be done by someone outside the dealer representation.

As an example, there are a great many farmers who have too small an operation to have grain dryers or perhaps are in livestock, where it's not quite so important. We don't want to overload farmers with a sales pitch that it

isn't really necessary. I think some of the big machine companies have seen that, where they've gone out and completely oversold the North American market in big tractors, big machinery, big this, big that, and cut down on manpower and so on. Now they're in trouble. [interjections] Yes, it was good business for a while. But if I were in the machine business, if I looked ahead and I could sell 20 new tractors instead of five, it would be a better long-term business, because you do have repairs.

Just to finish, I was in a dealership in a little town in my constituency the other day, and there was a frustrated parts manager. He was having a bad time, but he had a little sign on his wall that I thought was priceless and that I should bring to the Legislature. It says: "We've given you your money back, we've replaced the part, we've shot the parts manager. Now what the hell do you want us to do next?"

Thank you, Mr. Chairman.

DR. BUCK: Mr. Chairman, I'd like to make one or two comments on the minister's estimates. Mr. Chairman and members of the committee, I know the minister knows that agriculture in this province is in dire straits. I think all members of this Assembly have to realize the situation is that critical. The hon. member who spoke before me, the hon. Member for Vermilion-Viking, says he doesn't want to be doom and gloom. None of us wants to be doom and gloom, but we all have to be realistic enough to know there are some major, serious problems out in the rural areas.

On Good Friday we drove down Highway 45 and took the detour and went through Myrnam and up to St. Paul and down to Elk Point. Every time you go through one of those little communities outside the major cities in this province, you've got to be aware of the fact that agriculture is the only reason those small communities survive. So we've got a larger issue than just the fact that farmers are having great difficulty. All those communities are going to go down the tube if agriculture does not remain viable. It is that simple. We've got to address ourselves to doing something about it. It is not a simple solution.

I complimented the Minister of International Trade because he's trying to do something. We know that we've got to get our products into the international marketplace. That is something we'll keep working at constantly, but we as elected people have got to take some drastic steps and take them immediately.

Just last week I sat in on the Alberta pork producers' meeting. If you want to talk about doom and gloom, the people at that meeting were, on the whole, mostly people who are doing relatively well. The people who are in dire trouble can't afford to go to those meetings. They're back home struggling desperately to keep their heads above water.

I want to make one or two comments, as positively as I can, about the Agricultural Development Corporation and, hopefully, look at some suggestions that I hope will be constructive. First of all, Mr. Minister, I think we have to look at some of our lending policies to make sure that we're not putting people into a business — and right now we're looking at the hog business. One person has already been financed by ADC and is struggling to survive, and two miles down the road we throw in another \$250,000 or \$400,000 of the taxpayers' money to set up a hog operation. Now, the minister knows that's happening. And the minister and all the politicians know that the people in ADC have a job to do. They've got to get some money out there. As

a practising politician, I know that when a farmer comes to me and says "I want to go into such and such an endeavour," I try to go to bat for him. But all of us are probably guilty of trying to help people go into an endeavour when we really know and we really feel, down here, that we shouldn't be giving those people that kind of help. That is a tough decision to make. It's a tough decision to make as a politician, it's a tough decision to make as a minister, and it's a tough decision to make as an executive officer of ADC who's responsible for lending those funds.

We really have to take a look at what we're doing to people we encourage to go into a business such as that, when the guy down here is going broke and the guy down the road wants to go into the same business. Maybe we'd better hang onto some of that money and say, "Boy, we'd better rework this again; we'd better rethink this," especially right now in the pork business. Of course, the same thing applies when we look at the starting farmers program. Maybe we hurt more people than we helped. I know governments always want to try to help, and they get criticized when they don't try to help. But maybe we've been part of the problem more than part of the solution.

I think governments have a role to play. Mr. Chairman, I think that in this province everybody, including the householder, should have natural gas at cost. In the Thirties, hon. Member for Athabasca, we heard about power at cost. At that time Calgary Power was going to provide power at cost through our REAs. You know, to this day we're looking for power at cost. So that's one area we can look at. The natural gas protection plan: that is quite a charade that the minister of utilities carried out where he says, "I'm going to fight with my colleagues to make sure that we get the shielding." It should be automatic that Albertans should have natural gas at cost. They wouldn't even need that little rider saying that the reason the gas is down so low is because your governments have been so good. They wouldn't have to write that if we knew that we were getting it at cost.

Mr. Chairman, the same thing with farm fuels. We're doing a lot, more than most provinces, but let's go all the way. If we're going to do anything for the agricultural sector, we've got to get those costs of production down as low as they can get. The minister, as a practising farmer, knows that the margin is shrinking and shrinking and shrinking. When you take farmers who are 50 to 55 to 60 years of age and have been farming all their lives and they're going broke, there's got to be something drastically wrong with the entire system. They can't blame it on bad management. Sure, there were farmers who went ahead and overtooled and made errors. I know some of my friends who are successful farmers. If his neighbour is dumb enough to go out and buy a \$60,000 tractor and trade one in that's got about five years of good life left that he can buy for

\$22,000, that guy is going to stay in business. A friend of mine did that. He would just take the stuff his neighbour traded in, because the neighbour that went broke was a big-time operator. This guy is a successful farmer to this day.

So some of the farmers' problems were of their own doing. But we have to try to encourage them to stay in there, to ride the downturn. At the rate it's going, Mr. Chairman, there will not be a farmer to speak of left in Canada in five years. If it wasn't for the favourable tax situation in many instances, there wouldn't be a farmer left in Canada right now. All you have to do is go out like me — I guess they call us gentlemen farmers; whatever they want to call us. Not too many people call me a gentleman, especially my opponents. The thing is that on a quarter section of land, the margin is so small that it's almost nonexistent. Hopefully there's going to be more money in having people pound golf balls out on that 150 acres, because there certainly wasn't any money in raising barley.

Mr. Chairman, the last point I would like to make before we adjourn for the afternoon is that our party would like to see what we call the equal opportunity fund. I would like to see the small-business man and the farmer in this province able to borrow money for the same percentage we lend it to other provinces.

Mr. Chairman, I think we've run out of time.

MR. KING: Mr. Chairman, I move that the House rise, report progress, and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests 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. KING: Mr. Speaker, tomorrow afternoon is a private members' day, of course. The House will sit tomorrow evening and will resolve itself into Committee of Supply for consideration of the estimates of the Department of Labour, followed, if those are completed, by the estimates of the Department of Municipal Affairs.

[At 5:32 p.m., on motion, the House adjourned to Thursday at 2:30 p.m.]

