

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Friday, May 27, 1988 10:00 a.m.**  
Date: 88/05/27

[The House met at 10 a.m.]

[Mr. Speaker in the Chair]

**PRAYERS**

MR. SPEAKER: Let us pray.

As Canadians and as Albertans we give thanks for the precious gifts of freedom and peace which we enjoy.

As Members of this Legislative Assembly we rededicate ourselves to the valued traditions of parliamentary democracy as a means of serving our province and our country.

Amen.

**head: INTRODUCTION OF VISITORS**

MR. RUSSELL: Mr. Speaker, in your gallery today Alberta has a distinguished visitor whom I would like to introduce to the House. His Excellency Mohammed Ghoulmi is Algeria's ambassador to Canada, and I'd ask His Excellency to stand and receive the welcome of the Alberta Legislature.

**head: READING AND RECEIVING PETITIONS**

MR. SCHUMACHER: Mr. Speaker, I request that the petition of Donald Roy Deen for the Donald Roy Deen Compensation Act and the petition of Leo Cattleman, Simon Threefingers, Eddie Littlechild, Jim Omeasoo, and Morris Wolfe for the Maskwachees Cultural College Act be now read and received.

[Motion carried]

**head: NOTICES OF MOTIONS**

MR. WEISS: Mr. Speaker, under Standing Order 40 I'd like to give oral notice of motion that I would subsequently ask hon. members to consent to dealing with today. If I may read the motion into the record:

Be it resolved that the Assembly congratulate the Edmonton Oilers' players, coaches, management, and support staff for their fine achievement in winning their fourth Stanley Cup in five years.

**head: INTRODUCTION OF BILLS****Bill 43****Alberta Securities Commission Reorganization Act**

MS McCOY: Mr. Speaker, I beg leave to introduce Bill 43, the Alberta Securities Commission Reorganization Act.

This Act if passed will divide the commission into a board and an agency, thereby dividing the judging functions from the policing functions of the Securities Commission.

[Leave granted; Bill 43 read a first time]

**head: TABLING RETURNS AND REPORTS**

MR. M. MOORE: Mr. Speaker, yesterday I tabled a response to Written Question 189. In the second part of that question there was an error with respect to figures, and I'd like to table with the House the correction.

MR. STEVENS: Mr. Speaker, I wish to table correspondence between the Minister of Culture and Multiculturalism and the chairmen of the Alberta Art Foundation, the Alberta Historical Resources Foundation, and the Alberta Foundation for the Performing Arts -- I should say "file" with the Assembly -- as requested by the Member for Edmonton-Gold Bar.

While I'm on my feet, I'd like to file copies of correspondence referred to in the debate on Bill 10 last evening.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. SPEAKER: Leader of the Opposition, followed by the Minister of Labour,

MR. MARTIN: Yes, Mr. Speaker, I'd like to introduce to you and members of the Assembly, some members from AUPE, The vice-chairperson of AUPE, Brenda Strawson, has the members of her committee here: Wayne Becker, Dave Chipchura, Denise Campbell, Julio Ravest -- I hope I'm pronouncing that right -- Terry Ridgway, Marcella Labreche, and Judy Mjolsness, the staff advisor who, I might point out, is the sister of the Member for Edmonton-Calder. They're in the public gallery. I would ask them to stand and receive the traditional welcome from the Assembly.

DR. REID: Mr. Speaker, it's my pleasure today to introduce in the public gallery a group of students from the Jasper elementary school in grade 6. They come from what I regard as one of the most beautiful areas of Canada, and I envy them for living there. They are accompanied by two teachers, Mrs. Arsenault and Mr. Billehaug, and by four parents, Mr. Shredwick, Mrs. Lyon, Mr. Davis, and Mrs. Ayres. I would ask them to rise and receive the traditional welcome of the Assembly.

MR. BRASSARD: Mr. Speaker, it gives me a great deal of pleasure this morning to introduce to you and through you to the members of the Assembly, a number of gentlemen who have traveled up to meet with the Associate Minister of Agriculture. As I call their names, I'd ask that they would stand: Mr. Larry Konschuk, deputy reeve from the district of Rocky View; Mr. Murray Wise, also from the municipal district of Rocky View; from the county of Wheatland, John Montgomery, secretary-treasurer, and Ray Zacharinssen, the reeve; from the municipal district of Kneehill, Mr. Otto Hoff, the reeve, Mr. John Jeffery, Mr. Jim Christie; and from the county of Mountain View, Mr. Syd Vollmin, the reeve, Mr. Herman Epp, commissioner; from Starland, Mr. Bill Smyth, reeve, and Ross Rawlusk; as well, Mr. Harold Howe from Three Hills. I'd ask that they receive the welcome of the Assembly.

MR. SPARROW: Mr. Speaker, I'm pleased to introduce to you and to Members of the Legislative Assembly, a school group from the Pipestone school in Millet in my constituency. This group is comprised of 34 grades 5 and 6 students along with their teachers Steven Van Diest, Donna Mantai, and Pete Hiebert. The students are seated in the members' gallery, and I

would ask that they rise and receive the warm welcome of the Assembly.

MRS. McCLELLAN: Mr. Speaker, it is my pleasure to introduce to you and through you to the members of the Assembly, 26 elementary students from the Veteran school located in the constituency of Chinook. They are accompanied by their teacher Mrs. Marilyn Johnson and parents Wayne Lutz, Judy Heistad, Arlene Kloberdanz, and Vi Tkach. They are seated in the public gallery. I would ask that they rise and receive the warm welcome of this Assembly.

MR. FISCHER: It is my pleasure, Mr. Speaker, to introduce to you and through you to the members of the Assembly, 12 students from grades 4 to 6 from the Czar school in the Wainwright constituency. I might add that Czar is the home of the famous cowboy Leo Brown, who has just recently been inducted into the Alberta Sports Hall of Fame. The students are accompanied by teacher Ron Anderson and parents Donna Swanson, Mrs. Kathy Brown, and Mrs. Carol Steele. They are seated in the members' gallery, and I'd ask them to rise and receive the warm welcome of this Assembly.

MR. SPEAKER: Stony Plain.

MR. HERON: Thank you, Mr. Speaker. I would like to introduce to you and through you to all members of the Assembly, two exceptional grade 9 students from the Woodhaven junior high school in Spruce Grove. Daneda Russ and Laurie Smith have been selected to spend the day at the Legislature observing the political process firsthand and speaking with some of the people who work here. They are seated in the members' gallery, and I would ask that they rise and receive the traditional warm welcome of this Assembly.

#### head: ORAL QUESTION PERIOD

#### Hospital Funding

MR. MARTIN: Mr. Speaker, to the Minister of Hospitals and Medical Care. Albertans pay significant tax dollars and health care charges to the Alberta Treasury. For their largesse they find that hospitals have been forced to cut back services due to government funding cuts, and they find out that many thousands of Albertans face unnecessary delays in so-called elective surgery. Meanwhile, we have hundreds of active treatment hospital beds that are forced to close year-round due to funding restrictions. I want to ask a question to the minister that I think all Albertans want to know. Will the minister advise when the government is going to provide funding to ease the pressure and reopen these necessary hospital beds?

MR. M. MOORE: Mr. Speaker, the situation is different with respect to each hospital almost. We have indicated to all hospitals that they should not close beds or reduce services until we had completed a full review of their budget and had some understanding as to whether or not there was some ability by other cost-saving measures for them to continue their operations without reducing any services. In addition to that, we're working on ways, particularly in Edmonton city, to try to bring on quicker some auxiliary beds or long-term care beds to accommodate patients who are now taking up space in active treatment beds in Edmonton hospitals. So those are the kinds of initiatives that

are ongoing.

There are also, of course, some regular and routine closures of hospital beds during the summer months that are made for a variety of reasons. The ones at the Royal Alex, which the hon. member is no doubt aware of, are closing for two months this summer for refurbishing and bringing the wings up to the electrical and other code requirements and have little or nothing to do with funding cuts. As a matter of fact, if we hadn't provided the funding for the upgrading of the wings, of course, they would still be open.

MR. MARTIN: Well, Mr. Speaker, he may say that this is just for reasons in the summer, but I'd point out to him that in the Royal Alex, if he wants to talk about that specifically, they have a waiting list right now, before these closures, of 3,394 patients in need of surgery. We have surgical suites for day surgery unopened in this city because of the lack of funds. You know, frankly, people are appalled, and the minister must be getting these phone calls. Now, I just want to ask this question to this minister when is this government going to set a standard of performance for the health care system which is acceptable to Albertans? Because if he doesn't believe it isn't, he should talk to people.

MR. M. MOORE: Well, Mr. Speaker, the hon. member knows that we have a standard of service in this province with respect to funding for hospitals. On any basis you want to look at, whether it's per bed funding or funding per capita, we lead the country with regard to health care funding. There is no jurisdiction I know of anywhere that provides medicare without cost at the hospital or at the doctor's office that doesn't have waiting lists, particularly for elective surgery. Many of those waiting lists are for elective surgery, cosmetic surgery, things like that. Obviously, there are others who require the surgery, but there is a waiting list. We're doing our very best, as are the hospitals, to keep that waiting list down to a minimum. It's less than occurs in many other provinces, in spite of the fact that we provide a great deal more services in Alberta than many provinces.

MR. MARTIN: Well, Mr. Speaker, that's just a type of drivel. Cosmetic surgery: let me give you an example. I know of a woman from Mayerthorpe who has waited for 18 months for a hip operation. That's not cosmetic, Mr. Minister. I want to ask the minister: is he saying to this woman and thousands like her that they're asking too much when they ask for a chance to receive the health care treatment that they so richly deserve in this province that they built? Especially elderly people like this. Is that what he's saying?

MR. M. MOORE: Well, if the hon. Leader of the Opposition would care to take a look around, he'll notice that in Saskatchewan and Manitoba, one province being the father of medicare and the other one having been ruled by members of his party for a number of years, there are all kinds of things you can't even get in those provinces. Try to get a hip operation in Saskatchewan or Manitoba. Try to get a heart transplant or lots of other things. It just doesn't happen. We have in this province the best funding of any province in Canada for hospitals and for medical care. We have some of the best facilities in existence. We'll continue to keep them that way.

MR. MARTIN: Mr. Speaker, what a callous answer. I'm giving this minister a case of a woman that's waited 18 months.

Now with the closures at the Royal Alex she'll probably have to wait another 18 months. My question to him, and I want him to answer it. What is he saying to this woman and others like her? Why doesn't he tell us here in the Legislature?

MR. M. MOORE: For starters, I'm not able to say anything, Mr. Speaker, because the hon. Leader of the Opposition instead of bringing this to my attention, as most hon. members will, with a name and a bunch of other things chooses to raise it in the question period as an example without even trying to find out if there's a way to help her. If the hon. member or any other hon. member has a situation they think is very difficult, if you want to bring it to my attention, I certainly will investigate it. I'd be happy to do that for the hon. Leader of the Opposition. But if he does just like his colleague from Edmonton-Centre is prone to do by raising cases with no names, no facts, I can hardly believe that he sincerely wants to help the people of this province.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister of hospitals. With the closing of beds in a number of the hospitals across the province, is it the intention of the minister or the government to open that unnecessary edifice in Calgary called the Peter Lougheed hospital that's rather an ego trip to the former Premier rather than a necessary building at the present time?

MR. M. MOORE: Mr. Speaker, it's our intention to open the Peter Lougheed hospital in August of this year. Fortunately, we have had very good co-operation with the Calgary District Hospital Group and with the Calgary General hospital board. It is opening as part of one hospital on two sites, those being the old Calgary General and the Peter Lougheed, with a very minimum of duplication of programs at a great cost saving compared to what might have been the case had they not decided to co-operate in this particular way. In addition to that, as I've indicated in the Legislature before, the estimated cost requested by the Calgary General to upgrade their hospital previous to them taking over the Peter Lougheed was \$150 million. Now, because the program has been transferred to the Peter Lougheed and operating two sites as one hospital, they were able to scale that capital cost down to \$100 million. I think that's a success story with respect to hospital boards co-operating to deliver medical care that's second to none in this province.

MRS. HEWES: Mr. Speaker, surely the minister knows the crisis situation we're in as well as any of us. Elective surgery becomes emergency surgery in the kind of time lines we're talking about. One operating room in the Grey Nuns hospital remains closed from lack of funds. We don't need to study it. We know exactly what needs to be done. Will the minister now provide the funds to open that operating room?

MR. M. MOORE: Mr. Speaker, the hon. member reads the press instead of talking to members of the hospital board or the administration. The facts of the matter are that we have provided funding to the new Grey Nuns hospital in Mill Woods to fully operate that hospital with the exception of some 60-odd beds on the fifth floor that we had announced some time ago we would not intend to open. The facts of the matter are that the hospital has to have a considerable amount of time to develop the expertise to open the entire hospital and have it all operational. Eventually the one operating room, which I understand

is for elective surgery only, will be open. But at the moment it's not open, and that's not because we have denied any funds for it.

MR. SPEAKER: Second main question, Leader of the Opposition.

MR. MARTIN: Yes, Mr. Speaker, I'd like to designate my second question to the Member for Edmonton-Highlands.

### **Municipalities Infrastructure Funding**

MS BARRETT: Mr. Speaker, for some time now the residents of the Highlands district of Edmonton have been asking for the completion or extension of the Capilano freeway to meet the Yellowhead freeway to reduce the traffic along 112th Avenue, I'm sure all members are aware that that traffic actually ended up causing a fatal accident two days ago, killing a young girl. My question is to the Minister of Transportation and Utilities. I wonder if the minister is prepared now to make an offer to the city of Edmonton to provide the desperately needed financial support it requires in order to get that project back on track.

MR. ADAIR: Mr. Speaker, I take issue with the "desperately needed" funding situation, because the city of Edmonton in the period between 1979 and 1988 has received \$166 million-plus on the per capita basis. They, the city of Edmonton, make the priority as to which roads they would like to have fixed within their city jurisdiction. Their present priorities at the moment are the Whitemud freeway, south LRT, west leg of the outer ring road, and 100th Avenue. The other project, Capilano Drive to Yellowhead, has not proceeded because it's not at the present time one of their priorities. We provide the funds to the city of Edmonton and to any of the cities in the province of Alberta, Mr. Speaker, and they make the decisions as to where they are expended.

MS BARRETT: Supplementary question to the minister then. He fails to mention the fact that his own estimates cut those transportation budgets for two years in a row as well, Mr. Speaker. I'm asking the minister now if he'd be prepared to go to the city and make some sort of offer that would assist them in fast-tracking this project which had been scheduled for an earlier completion date than 1997 but is now pushed back to 1997.

MR. ADAIR: My understanding, Mr. Speaker, that the city's original schedule for that particular section was to be completed by the 1991 time frame. In relation to the question you raised earlier, yes, there were some dollar cuts in the last couple of years. But when you put the special grants on top of that, the \$70 per capita that the city of Edmonton received actually ended up at \$73 per capita, counting all the specials that were provided to the city of Edmonton in the last number of years.

MS BARRETT: Well, supplementary question to the minister then. Rather than debate money here or there, I just point out that in 1985 his government found the money suddenly for the ring road expansion. I'm asking the minister if he's willing to go and present an offer, a financial incentive package, so that the city of Edmonton isn't forced to say it's got to be one or the other, that they can get the Capilano Drive extension that they really need.

MR. ADAIR: Mr. Speaker, I have some difficulty with the hon. member's question in the sense that the dollars provided to the city of Edmonton or to any of the cities are provided on a per capita basis and not suddenly found, as was mentioned by the hon. member. That was a request from the city. [interjection] Did you have heartburn for a moment?

Mr. Speaker, not suddenly found but a request from the city, in essence, to see if there were some additional funds that may have been left over from the previous year as we got closer to the end of that year. This past year we didn't have any extra left over because of the good construction weather and the extended fall that we had last year.

But again I say that from the standpoint of the city of Edmonton, they have had no reduction -- in essence, \$3 increase per capita, with the basis of what was proposed in 1985 as the \$70 per capita, was reduced then to \$67.90, was reduced this past year to \$60. When you average all of the grants received including specials, they have received over the \$70, actually \$73 per capita.

MR. SPEAKER: Final supplementary.

MS BARRETT: Yeah. Mr. Speaker, the minister is mixing basic grants with the special programs, the continuous corridors and primary highway connectors program, which have been chopped substantially in the last two years. I'm asking the minister this: is it his assessment that if he sent his officials to the city transportation officials with a financial incentive package, they would turn it down?

MR. ADAIR: Mr. Speaker, I don't just happen to have a bag of money hanging over my shoulder that I can go to Edmonton or Red Deer or Calgary and say, "Hey, if you've got something to do . . ." [interjections] Mr. Speaker, we work on an annual per capita grant basis with all of the cities, and those funds are provided on an ongoing basis.

This particular year it was reduced to \$60 per capita as the interim year while we worked with the cities to plan the next program. I can wave all of the figures that you've got right here, like that, and say it says \$73. They make the decisions as to how they spend them. They put the priority on their roads within the city, and we provide the funds, 75 percent of them, to the city. They cover both the operation, the construction, the jurisdiction as to whether they're using overweightes. The same issue was raised a little earlier, Mr. Speaker.

MR. SPEAKER: Thank you, hon. member.  
Main question, Westlock-Sturgeon.

MR. TAYLOR: Mr. Speaker, my question is to the Premier today.

MR. SPEAKER: Westlock-Sturgeon, I'm sorry; other people seem to be a bit slow rising after staying here so late last night.  
Red Deer-South.

MR. OLDRING: It was a late night last night, Mr. Speaker.

Supplementary to the Minister of Municipal Affairs. I appreciate the minister of transportation's answer as it relates to funding, and certainly I have some roads in Red Deer that I'd like to bring up. But could the Minister of Municipal Affairs indicate whether there are other new funding programs and new dollars that were available to the city of Edmonton in the last couple of

years that they'd be able to take and perhaps spend on roadways if they so choose; i.e., AMPLE?

MR. ANDERSON: Well, Mr. Speaker, in response to the question from the hon. member, certainly in the last year we have initiated a number of funding proposals which do in fact give the city of Edmonton as well as all other municipalities in the province of Alberta the opportunity to utilize the funds which they've got in the way they see fit. The Alberta partnership transfer program, just initiated, saw cheques go to each municipality in the province within the last month. They include money from what formerly were the municipal assistance grant, the transportation operating grant, and the policing grant. Edmonton can now choose, unlike previously, to use that money for roadways, if they see fit, or in any other way they would like to. That cheque to them this year, if my recollection is correct, was in the order of \$32 million. Later this year that city will, in addition, receive AMPLE funding which will be double last year's AMPLE funding on a per capita basis, again an unconditional grant which they can utilize for any purpose they see fit. We encourage them to use it for employment purposes. Certainly developing a roadway would be in that category.

MRS. HEWES: Supplementary, Mr. Speaker, to the Minister of Municipal Affairs. Is the provincial government pursuing the program proposed by the FCM to the federal and provincial governments of two or three years ago, called Work, Work, Work, that would give an immense infusion of funds into local municipalities for infrastructure?

AN HON. MEMBER: What's FCM?

MRS. HEWES: I'm sorry, Mr. Speaker; Federation of Canadian Municipalities.

MR. ANDERSON: Mr. Speaker, with respect to the Federation of Canadian Municipalities' recommendation, we certainly have responded, and that is in fact in keeping with my previous answer. The AMPLE, the Alberta municipal partnership in local employment program, is designed specifically to allow communities to utilize those dollars for infrastructure costs or in any other way that they see fit.

MR. TAYLOR: Those are federal dollars.

MR. ANDERSON: The provincial dollars have been committed to that program. The hon. leader of the Liberal Party yells "federal dollars." We do have a situation with respect to the Constitution which has municipalities as a provincial responsibility. We, however, would be happy to receive federal funding as long as it's fair to all communities, fair to the west as well as to the east, and not infringing on the constitutional responsibility of the provinces.

I might add that that is a concern in potential infrastructure funding. It's clear that eastern Canadian communities have more deterioration of infrastructure than we do in the west, and some of our communities have spent a great deal of money and investment in keeping that infrastructure in place and well developed. We'd have to ensure that the funding didn't in fact see more dollars going to the east than would be going to western Canada.

MR. SPEAKER: Thank you, hon. minister.

Main question, Westlock-Sturgeon.

### Water Supply Assistance

MR. TAYLOR: Mr. Speaker, my question today is to the Premier on the question of drought and the possibility of water shortages in Alberta. So far we've seen very little in the way of program except the Minister of the Environment's dream of building 200 dams and reservoirs around the province, which will move a lot of dirt but not much water. I'd like to know whether the Premier and the cabinet have -- I'm sure he's the chairman of this particular committee. Is there any thought being given to some form of incentives, economic or otherwise, or orders if necessary for southern Alberta cities to institute water rationing before our dams and reservoirs get pulled down too far?

MR. GETTY: Mr. Speaker, I'll ask the Minister of the Environment, who's responsible for this area, to respond to the hon. member, except to say that the lead-up to his questions was so completely false, that the government has the most generous water supply assistance program in Canada, and that the farmers and ranchers in Alberta are taking advantage of it and are very pleased to see this initiative.

MR. SPEAKER: Minister of the Environment.

MR. KOWALSKI: Thank you very much, Mr. Speaker. As the Premier has indicated, the leader of the Liberal Party of course is off base on this one once again, unfortunately. The fact of the matter is that this government has under way now nearly \$1 billion worth of capital programs in an attempt to resolve the water shortage problems that exist throughout the province of Alberta. Those estimates are before the House by way of Alberta Environment or by way of the Heritage Savings Trust Fund estimates, and I'd be very pleased to go through the litany of projects that we have under way. That would amplify and assist the leader of the Liberal Party in understanding what is happening.

When the leader of the Liberal Party talks about a shortage of programming, in my view he simply has not bothered to find out what the facts are. Recently the Premier has announced a major \$20 million assistance program and an emergency short-term supply program. We're working with that. In addition to that, in the next number of days our ministers of Agriculture will be meeting with the federal Minister of Agriculture in Calgary, the meeting place in Alberta and western Canada, to discuss further programs that may come forth.

MR. SPEAKER: Thank you.

MR. TAYLOR: Mr. Speaker, the question is: what are we doing about water right now?

Let's go another step further. To the Premier. I've noted recently that the Alberta power companies have managed to export more power than at any time in recent history, somewhere around \$10 million to \$12 million to the U.S. Because power plants operate at 100 percent efficiency, increases in power manufacturing merely come from water flow. Is there anyone watching to make sure that our dams are not being depleted to manufacture power, to export power, so that when we need the water later in the year, it isn't there?

MR. KOWALSKI: Yes, Mr. Speaker, we're watching. If the

hon. member would like the status report of the water storage of all of our reservoirs as of May 24, 1988, I'd be very happy to provide it to him right now. As an example, in terms of the reservoir we have in Kehoe Lake, in terms of the maximum storage, in terms of the elevation to live storage, I can give that, and I can go through the whole litany in terms of all of the reservoirs we have in the province. The leader of the Liberal Party asked: are we watching? We most certainly are watching. We have the quantified information available in terms of all of the reservoirs in our province. We have that information very, very clearly. Once again, if the leader of the Liberal Party would like to get that information, I'll sit down with him. I'll even take him by the hand down to my office and go through it with him and explain it to him in black-and-white terms so that he'll walk out...

MR. SPEAKER: Great. Thank you. Nice offer. Let's go.

MR. TAYLOR: There's a veritable mine of information of what I don't need.

Mr. Speaker, go back to that question, then. To the honourable Minister of the Environment. Can he assure this House that the extra power generated and shipped to the United States over the last three months did not come about due to the selling of power generated by hydro? In other words, extra water went over the dam in order to send power to the Yankees.

MR. KOWALSKI: Well, of course I can, Mr. Speaker.

MR. TAYLOR: Mr. Speaker, I don't know; it gets a little difficult.

This final one -- I'll go back to the Premier. In view of the fact that the most recent schedule to the free trade agreement, contrary to what the Macdonald commission tried to negotiate, includes tariffs and a listing on water export to the United States, is the Premier able to explain to this House why water export is in the schedules -- schedule 1 -- and it was not in the Macdonald commission or the original free trade agreement?

MR. GETTY: Mr. Speaker, there is no intent to export water to the United States.

MR. SPEAKER: Thank you very much.

### Coal Marketing

MR. R. SPEAKER: Mr. Speaker, my question is to the Premier. Twenty-seven million dollars from the western diversification fund will be used to help Ontario Hydro afford western Canada's coal. That was announced by the Deputy Prime Minister as of yesterday, I understand. What is the Premier's position on this matter?

MR. GETTY: Mr. Speaker, the hon. member is really responding, I'm sure, to media reports, and we all know the potential for that not necessarily being accurate. Nevertheless, just recently we've concluded a meeting of the Deputy Prime Minister, the Premier of Ontario, the Premier of Saskatchewan, the Premier of Alberta, and the Premier of British Columbia to come up with some initiatives for selling additional western Canadian coal to Ontario. The \$27 million the hon. member is talking about will be spent in western Canada and will be spent on a series of research and other projects to make sure that more Alberta and

western Canadian coal is used in Ontario hydro generation but also in the steel mills in Ontario.

This is a committee that was formed a year ago at the request of many companies and municipalities in this province that rely on coal mining, to see that we could get more coal into Ontario. As the hon. member probably knows, they have been taking a great deal of coal from the United States. We have convinced Ontario to increase their use of western Canadian coal, still not to the level that we want it to be used, and these initiatives are going to help communities in our province to sell more coal to Ontario.

MR. R. SPEAKER: Mr. Speaker, supplementary to the Premier. I can understand what the Premier has said and understand that possibility. One of my concerns is with regards to the historic aspect, in that we as Albertans have sent oil, gas into Ontario at cheaper prices, protected prices, and by the use of the western diversification fund it seems we're doing that once more. Could the Premier indicate whether that indirectly is going to happen by this type of use of the western diversification fund?

MR. GETTY: Well, Mr. Speaker, I guess it depends on your point of view. I certainly agree with the hon. member about the assistance that western Canadians have provided to central Canada with lower energy prices in the past, but in this case we have the problem that our producers in Alberta are unable to get the coal through the transportation system in the state that it currently can be produced to Ontario at a rate that competes with U.S. coal. But we feel that with changes and research and with changes in the transportation system we can counter that. The government of Ontario makes the argument that they could buy this coal on an annual basis from the United States at some \$100 million less than to buy it from western Canada. We point out to them that there have been billions and billions and billions of dollars contributed by western Canadians, particularly Alberta, to assist them. I think we've convinced them, and therefore they will not only continue to purchase western Canadian coal at a higher cost, but they are also expending their dollars, along with ours, into these research and transportation initiatives so that more coal will flow to Ontario.

MR. R. SPEAKER: A supplementary to the Premier. The \$27 million that's being discussed at the present time: would that be a maximum amount that may be taken from the western diversification fund, or is that sum of money still under negotiation?

MR. GETTY: As the hon. member would know, Mr. Speaker, it is difficult on individual projects to actually estimate exactly what they're going to cost. The total number of dollars being expended will be in the order of some \$80 million. Some portion of that will be picked up by each province, including Ontario, Saskatchewan, Alberta, British Columbia, and a portion picked up by the federal government. The total dollars on these various projects . . . I would give a commitment to the hon. member to table in the House the various projects so he would have the ones that really impact directly on Alberta. But this total of in the 80s of millions of dollars will be a major assistance to Alberta companies, mines, workers in the area of coal mining, to see a greater activity and greater sales. This is a breakthrough, and I'm very pleased to see it happening.

MR. SPEAKER: Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. A supplementary to the Premier. Since this is clearly a subsidy to make our coal more competitive with U.S. coal, will the Premier please admit that this kind of support to the development of Alberta industry will not be permitted under the free trade agreement?

MR. GETTY: Mr. Speaker, this is not a subsidy. I don't know why the hon. member, when there is an initiative to help Alberta workers and Alberta communities and Alberta companies, would immediately jump up and try and knock it. It may be that some coal company in the United States may complain, and they will have, I guess, an ally here in our own Assembly. But this is a breakthrough. This is not a subsidy. This is research and transportation modifications, initiatives that this government is taking along with the other western Canadian governments, the government of Ontario, and our federal government. It's positive for our province, and we don't need the Liberals, who want to find negatives all the time, to try and knock it.

MR. MARTIN: I wish he would answer the question instead of giving the rhetoric, Mr. Speaker, because it was a good question.

You can call it what you want, but the American coal companies are going to call it a subsidy. How are you going to get around a countervail duty from the United States? Answer the question.

MR. GETTY: Well, Mr. Speaker, it was only certain that the socialists would jump up and say, "For gosh sakes, if this is going to be positive, we want to be negative on it." There's no question about that. We almost could have programmed that one. This is a positive initiative the government is taking, and this member and that . . . [interjections]

MR. SPEAKER: Thank you, hon. Premier. The Chair would point out to hon. members that if you want a supplementary, there's a different way of doing it rather than shouting across the House in this manner.

Continue.

MR. GETTY: It's really interesting, Mr. Speaker, that when we have a question on a very important matter to the coal miners and the communities in this province who have been asking for this -- we're doing it -- now the hon. members opposite, who are so intent on being negative and opposing that they can't even realize positive things for this province, will not sit and listen to the facts. Well, our government is doing it, and we're going to make sure it happens. And if you're worried about trade agreements and other things, just watch us; we're making it happen.

MR. SPEAKER: Cypress-Redcliff, followed by Edmonton-Calder, Edmonton-Meadowlark, Olds-Didsbury, Athabasca-Lac La Biche, Wainwright, Edmonton-Strathcona, and Red Deer-South.

#### **Agricultural Assistance**

MR. HYLAND: Thank you, Mr. Speaker. My question is to the Associate Minister of Agriculture, and it's related to the drought situation and the crop insurance system. My question to her is: is there any change in her comments as of last week on the need for immediate action so that farmers and ranchers can turn cattle into winter wheat? Because winter wheat on stubble

is rapidly deteriorating; it's probably gone. The time for chitchat is over. We need some action; we need a result. We need an announcement within a few days related to winter wheat on stubble so that we can gain some benefit from it.

MRS. CRIPPS: Mr. Speaker, I appreciate the question from the Member for Cypress-Redcliff, because everybody recognizes the importance of the crop insurance program and the importance of moving rapidly on crops that are deteriorating, if there is to be any salvage value in them. In terms of the winter wheat and the fall rye, at this point in time they're probably just about or are in the shot blade, and if they head out, they're gone. So we recognize that if they can be grazed off and it does rain down the road, there will be salvage value, and there may even be a crop. The corporation at the present time is asking people if they turn their cattle into the crops to keep a check strip and to notify the corporation. I will also be raising the crop insurance and flexibility in the program with the ministers next week.

MR. HYLAND: My supplementary is relating to the need for soil conservation and these crops that farmers don't have cattle that they can turn into them. Are we also going to be looking at waiver of the need for plowing down the crop to collect crop insurance rather than leaving it there so that the soil doesn't blow after the crop's worked down?

MRS. CRIPPS: Mr. Speaker, one of the most important aspects, I think, of the policy decisions we make in crop insurance this spring has to be common sense, good management, good husbandry, and soil conservation. So I can assure the member that we will be looking positively at not ploughing down the fall-seeded crops and, in some cases, not requiring the seeding of summer fallow, if I can have my counterparts agree to that. I believe I can. The federal government has introduced a program of soil conservation in western Canada. We have introduced our own Act on soil conservation in this Legislature, by the hon. member from Hanna. Therefore, Mr. Speaker, any policy that we can implement which will ensure the best use of soil conservation and reduce wind erosion we will try to implement.

MR. HYLAND: Mr. Speaker, to the minister. I wonder if the minister can inform the Assembly what percentage of sign-up there was throughout the province in the new forage program that was extended through the province. Was there an additional increase in sign-up on the crop insurance corporation?

MRS. CRIPPS: The crop insurance sign-up for the cereal grains and oilseeds was basically the same as it has been in the past years. We actually have about 90 percent of the cropland under the crop insurance program at this point in time. In terms of the forage program, last year there were about 3,500 contracts; this year there are 7,600. It represents about 30 percent of the forage in the province and about 50 percent of the producers.

MR. HYLAND: Mr. Speaker, my supplementary is to the Acting Provincial Treasurer, and it's relating to the problem that the drought may cause: the disposal of a basic herd of a rancher or farmer. Will the Provincial Treasurer approach his federal counterparts to see if we can get a waiver of income tax on disposal of basic herd so that when they are replaced we're dealing with 100-cent dollars, not 60-cent dollars, after you pay the tax on it?

MR. SHABEN: Mr. Speaker, the government will continue to initiate every possible program at its disposal, including our emergency water supply programs and other initiatives that are being undertaken by the Minister of Agriculture and the associate minister. In the unfortunate event that herd reductions are necessary, we will in advance of that communicate with the federal government in order that there will not be a tax hit as a result of it. I will communicate the question to the Provincial Treasurer.

MR. R. SPEAKER: Mr. Speaker, supplementary. Could the minister indicate whether she's made any more progress with regards to the qualifying date for seeding, in terms of crop insurance?

MRS. CRIPPS: Mr. Speaker, I've made the suggestion that we treat the crops that are fall-seeded crops as if it was July 1, in terms of insurance coverage. That's to ensure that people do not have to make bad management decisions in terms of soil conservation. I've asked the crop insurance corporation to look at the seeding date, and I believe that we should be treating the dry conditions on the same basis that we would too wet conditions. Frankly, it is not in the best interests of anyone in some areas to seed at this point in time, and I think we have to act accordingly. In many cases if the soil is disturbed, we cause vast deterioration and wind erosion. So I think we have to be very cognizant of that fact. You can be assured that we will be doing everything to ensure that we do encourage good husbandry.

MR. SPEAKER: Member for Westlock-Sturgeon.

MR. TAYLOR: Yes. Supplementary to the minister. Following on the hon. Member for Cypress-Redcliff's question on protecting the basic herd in the drought areas and in view of the fact that the Peace River country has a great deal of rain and is doing quite well, has the minister set in motion any survey of community pastures and Crown lands in the Peace River country with a view of eventually helping farmers to transport some of their basic herd up to these greener pastures?

MR. ELZINGA: Mr. Speaker, I'm happy to repeat what I had indicated some weeks ago in the House to the hon. member, that we do conduct an inventory of feed supplies; we also do conduct an analysis as to pasture supplies throughout the province of Alberta.

MR. PIQUETTE: To the Minister of Agriculture. In relation to the water emergency program, I've received a number of calls from farmers who are saying that there is a one-month waiting period for water pumps to pump the dugouts. Is the minister doing something about that to ensure that farmers who are waiting desperately for water right now are going to be served much more quickly?

MR. ELZINGA: Yes, Mr. Speaker, there is a marginal waiting list. But we have indicated, as I've indicated some time ago in the Legislative Assembly also, to those individuals who are facing severe water shortages that we will give them a priority. In addition to that, what we did do is we bought an additional 10 units to offset the concern that the hon. member has expressed, and some of those units are coming on stream right now. They all will be on stream within a matter of weeks, and we have been meeting with the demand as it relates to filling dugouts. In

the event that the hon. member has a severe hardship, we will make sure that that is taken care of on a priority basis.

### Child Care Policy

MS MJOLSNESS: Mr. Speaker, on April 15 the Minister of Social Services stated that she was waiting for the federal government to come down with its position on their overall child care policy before announcing her own policy. The federal government has made a few things clear in its child care strategy, one being new limits on child care spending. Under CAP we had a flexible cost-sharing agreement. Under this new agreement, we have a ceiling on cost-shared expenses. To the Minister of Social Services. Has the minister expressed concern to her federal counterparts regarding this unacceptable ceiling which will ultimately limit child care spaces?

MRS. OSTERMAN: Mr. Speaker, I have not been directly informed of the limits that may be placed that the hon. member mentions. Because in my conversations with the federal minister, he assured us that he was looking at cost sharing of all the forms of day care in this province, which of course included private day care.

MR. SPEAKER: Supplementary.

MS MJOLSNESS: Yes. Unfortunately, we know.

A supplementary to the minister. Would the minister explain whether she has been successful in getting the federal government to commit to cost sharing fifty-fifty with Alberta under this new child care policy program?

MRS. OSTERMAN: Mr. Speaker, officials at this point in time are discussing financial arrangements, and they have not been finalized. I will not make comments on officials' discussions. I will be waiting to hear from the federal minister.

MS MJOLSNESS: Supplementary to the minister. As other provinces have training standards for child care workers in place, would the minister show some leadership, quit using the new national strategy policy as a stalling technique, and immediately implement training standards for child care workers in the province?

MRS. OSTERMAN: Mr. Speaker, I have stated that I expect to make a statement on that early this summer, and I believe the hon. member is aware of that.

MS MJOLSNESS: Mr. Speaker, final supplementary, then, to the Premier. In view of the fact that his government's Advisory Council on Women's Issues and the Social Care Facilities Review Committee recommend professionally trained child care workers, will the Premier ensure that when the Minister of Social Services makes her announcement early this summer, training requirements will be included in that policy?

MR. GETTY: Mr. Speaker, as the hon. minister has said several times, and to the member asking the question repeated again, she'll be making the statement, and the member will just have to wait and see what's in it.

MR. MITCHELL: To the Minister of Social Services. Is the minister planning to reduce, remove, or otherwise alter operat-

ing subsidies to day care operators in Alberta, or is she planning to extend those operating subsidies now, soon, to meet increasing demand for day care places in this province?

MRS. OSTERMAN: Mr. Speaker, that's also been a matter of discussion in the House, and certainly during my estimates as well -- numerous questions asked by members, particularly the hon. Member for Edmonton-Calder. I'm pleased to see that Edmonton-Meadowlark is now aware of this question. To repeat once again for him, because it's been in *Hansard* many, many times, I have said that I will direct the funds to those families most in need.

MR. SPEAKER: Thank you.

Member for Red Deer-South, supplementary.

MR. OLDRING: Thank you, Mr. Speaker. A supplementary to the minister. As part of her policies does the minister intend to develop specific programs which would be designed to encourage or help parents to stay in the home with their children?

MRS. OSTERMAN: Mr. Speaker, this certainly has been a matter of discussion. The hon. Premier as well has raised this concern, because it is fair to say that with the way funding presently flows for child care, it is only for institutional care. That is absolutely unacceptable for 80 percent of the families in this province. I am hoping that with the spirit in the Meech Lake accord that has been shown between the provinces and the federal government, if we do not achieve a strategy that we believe is acceptable to all Albertans, we can choose another route.

MR. SPEAKER: The time for question period has expired. We have a request under Standing Order 40 with respect to a motion. I would assume that the House is willing to give unanimous consent to deal with this matter because it is of such an urgent need. Is it agreed?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.  
Minister of Recreation and Parks.

MR. WEISS: Well, thank you, Mr. Speaker and all hon. members, for the approval. I'm not sure if it's an urgent need, but the timing, of course, is very critical.

If I may, I'd like to read the motion into the record again.

Be it resolved that the Assembly congratulate the Edmonton Oilers' players, coaches, management, and support staff for their fine achievement in winning their fourth Stanley Cup in five years.

A few comments in support of the motion, Mr. Speaker. As many of you are aware, I'm an ardent fan of the Edmonton Oilers, so ardent, in fact, that last November 30 in this very House I rose to salute the Edmonton Eskimos' achievement in winning the Stanley Cup. I got it right this time. Others in this House had their doubts. Some even favoured another team. My support, however, has never wavered, and while it might have seemed presumptuous then, that statement has now become a reality. Edmonton truly is the City of Champions. [some applause] Thank you.

Mr. Speaker, the Oilers' victory belongs to all of us in this province. Albertans can be proud of all their accomplishments.



There were many achievements throughout the province such as the Labatt Briar championship, the Canadian football championship, and, of course, Calgary's outstanding performance in hosting the 1988 Olympic Winter Games, to name but a few. Albertans are proud, and I would ask all the members as proud Albertans to join me in supporting the motion now before the Assembly.

MR. SPEAKER: Call for the question. All those in favour, please signify by shouting aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries unanimously.

### ORDERS OF THE DAY

MRS. CRIPPS: Mr. Speaker, Her Honour the Honourable the Lieutenant Governor will now attend upon the Assembly.

[Mr. Speaker left the Chair]

head: **ROYAL ASSENT**

SERGEANT-AT-ARMS: Order! Her Honour the Lieutenant Governor.

[The Honourable W. Helen Hunley, Lieutenant Governor of Alberta, took her place upon the Throne]

HER HONOUR: Please be seated.

MR. SPEAKER: May it please Your Honour, the Legislative Assembly has, at its present sittings, passed certain Bills to which, and in the name of the Legislative Assembly, I respectfully request Your Honour's assent.

CLERK ASSISTANT: Your Honour, the following are the titles of the Bills to which Your Honour's assent is prayed:

No.	Title
1	Premier's Council on the Status of Persons with Disabilities Act
2	Homestead Lease Loan Repeal Act
3	Agriculture Statutes Amendment Act 1988
4	Energy Resources Conservation Amendment Act 1988
5	Oil Sands Technology and Research Authority Amendment Act, 1988
6	Health Disciplines Amendment Act 1988
7	Tourism Education Council Act
9	Alberta Research Council Amendment Act, 1988
10	Interprovincial Lottery Amendment Act 1988
11	Motion Picture Development Amendment Act 1988
12	Professional and Occupational Associations Registration Amendment Act, 1988
13	Surveys Amendment Act, 1988
17	Municipal District of Brazeau No. 77 Incorporation Act
19	Marriage Amendment Act 1988
32	Appropriation Act, 1988

[The Lieutenant Governor indicated her assent]

CLERK ASSISTANT: In Her Majesty's name, Her Honour the Honourable the Lieutenant Governor doth assent to these Bills.

SERGEANT-AT-ARMS: Order!

[The Lieutenant Governor left the House]

[Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated.

Hon. members, might we revert to the Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.  
Member for Vermilion-Viking.

head: **INTRODUCTION OF SPECIAL GUESTS**  
(*reversion*)

DR. WEST: Thank you, Mr. Speaker. It's my pleasure to introduce to you and to the Members of the Legislative Assembly, on behalf of the Member for Redwater-Andrew, a group of his constituents: 44 grade 6 students from the Lamont Elementary school. I trust that they have enjoyed question period and witnessing Royal Assent of certain Bills. I wish them the best in their school year, and have a fun-filled summer. They are accompanied by teachers Mrs. Bernie Letwin and Mr. Clarence Kitura and bus driver Mr. John Danyluk. They are seated in the members' gallery, and I would ask that they rise and receive the warm welcome of this Assembly.

head: **COMMITTEE OF SUPPLY**

[Mr. Gogo in the Chair]

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

### ALBERTA HERITAGE SAVINGS TRUST FUND CAPITAL PROJECTS DIVISION 1988-89 ESTIMATES OF PROPOSED INVESTMENTS

#### Department of Agriculture

#### 1 -- Farming for the Future

MR. CHAIRMAN: Hon. minister, Mr. Elzinga, do you have any comments before the committee puts questions, comments, and amendments?

MR. ELZINGA: Mr. Chairman, I do have just a few brief comments, because it's fairly self-explanatory. If one were to look at the Alberta Heritage Savings Trust Fund capital projects division on the pages you've indicated, both 4 and 5, our first vote deals with Farming for the Future, and the amount to be voted is some \$5 million. The objective is to provide funding for agricultural research to ensure the long-term viability of our farming operations and to improve the net farm income of our farming population.

As you are aware, the Agricultural Research Council of Alberta administers this program. It reviews the various submis-

sions that are presented to it for funding, and just to give you an overview of the categories that are involved in funding: apiculture, entomology, beef and dairy cattle, cereals, oil seeds, forage crops, land use and soils, transportation, processing and marketing, poultry, sheep and swine, and special crops. Mr. Chairman, we're also involved in on-farm demonstrations. The Member of the Legislative Assembly that serves on this committee, the Agricultural Research Council, is the hon. Member for Cardston, Mr. Jack Ady, and I would ask the consent of the House for him to participate in this debate at this time to give an overview as to his participation in the Agricultural Research Council of Alberta.

I want to leave hon. members the assurance, too, that we'll do our utmost to respond to questions they do have, and in the event that we don't have the response immediately, I'll make sure we do get back to them.

MR. ADY: Thank you, hon. minister. I would like to give some brief remarks in an overview on what has happened in Farming for the Future during the past year. To begin with as background, since Farming for the Future began, a total of 461 research projects have been awarded. Funds totaling \$39.6 million have also been awarded, and there have been 467 on-farm demonstrations, for a total of \$2 million into that category. Over 300 scientists and 400 producers have participated in the Farming for the Future program.

Some significant advances have come forward from Farming for the Future. They range from better strains of grain and honeybees to improved agronomic procedures, more effective livestock management and techniques, and novel food products. In the 1988-89 budget year, a total of 100 research projects were approved by Farming for the Future research council at a total cost of \$3.9 million. These projects and dollars are distributed on a priority basis among the nine committees who represent a variety of agricultural interests. The on-farm demonstration program has always been high profile among agriculture producers and has received a high priority for Farming for the Future funding. In the 1987-88 budget year 117 projects, new and renewed, were approved, for a total of \$463,777. During the last six years, ranging from 1982 to 1988, 597 on-farm demonstration projects have been approved, for a total in excess of \$2 million. Only 130 of these were renewals. In the current year the on-farm demonstration program is eligible for \$600,000 of funding under the program.

Results from the wide range of Farming for the Future projects funded to date include improved wheat, canola, and barley varieties for Alberta conditions, new methods for improving the efficiency of irrigation systems, livestock vaccines against three types of calf scours, with further development in a single vaccine which combines the three earlier vaccines. This is just to mention a few, and of course there are many, many more accomplishments.

One new project that is ongoing and receiving a lot of attention is the development of a new winter-type canola, which we'd plant in the fall and which would come from the roots early in the spring, similar to winter wheat, thereby enjoying a growing season that is conducive to characteristics of canola, such as early spring moisture, cooler weather. It would appear the variety may have a significant yield gain of up to 40 percent. It is not developed yet, but it does hold a great deal of interest and potential.

Farming for the Future uses a variety of approaches to disseminate research information to users. After all, the informa-

tion is not of much use unless it gets out to the farmers and agriculture people on the front line. First, in co-operation with Alberta Agriculture's field service, Farming for the Future supports on-farm demonstrations across the province. Secondly, Farming for the Future produces a number of publications which explain the research activities. Publications range from regular issues on the research report to occasional inserts in commercial magazines. In 1987 there was distribution free of charge of approximately 150,000 copies of such publications. Third, information is provided on results obtained from demonstration projects through the department's computerized remote bulletin board located at the on-farm business management branch at Olds.

Conferences are one more method that is used to get information out to the agricultural sector, and Farming for the Future has participated in two such conferences during the last fiscal year, one being in Lethbridge, which dealt expressly with special crops such as vegetables, lentils, sugar beets, safflowers, peas, potatoes, shrubs, and flowers. These are all alternatives to conventional crops, and farmers were able to get information on production methods, economics, and the areas that were conducive to these special crops. I attended that conference. There was a great deal of interest shown, and it was well attended. In 1977 only 139,000 acres were planted to special crops, while in 1987 about 354,000 acres were planted to such crops.

There was also a Farming for the Future conference held in Calgary in mid-March of this year, which was well attended and saw a wide variety of product information given out to the agricultural sector. It gave a good opportunity for farmers and scientists to have time together to discuss the needs and concerns of the people who are trying to survive in the agricultural industry.

The Farming for the Future project is something that has gained high profile in the agricultural industry, and I'm confident it's going to continue to provide a lot of benefit to our agricultural sector in the future. On that note, I'll end my remarks and see if there are some questions to be entertained.

MR. CHAIRMAN: Thank you, hon. member.

Hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman. I have just a few questions I'd like to ask the Member for Cardston. I think the Farming for the Future program has, in a general way, been a very positive thing. As I've said in the past, I'm especially supportive of the on-farm demonstrations, because I think the experience of many farmers in terms of agricultural research and many ordinary citizens in terms of other types of research is that it's something distant from them; it's done in institutions or universities. A lot of it is difficult to comprehend or difficult to apply to real life, everyday kinds of situations. So the on-farm demonstration aspect of the Farming for the Future program is something that is very practical and visible and, hopefully, immediately useful to the people involved in those projects. I think in that regard it's very positive.

I would like either the Member for Cardston or the minister to tell me what's planned in the future for the Farming for the Future program. We did pass a Bill in this Assembly last year establishing the Agricultural Research Institute, which hopefully will very soon be up and running and funding projects. I'd be interested in knowing how the minister sees these two things fitting together. How do the different components of research within the Department of Agriculture fit together? Because I

think it's important in managing all these different projects that we don't miss anything, that we make sure everything we need to be doing in terms of agricultural research is being done. I've expressed concerns to the minister in the past about what I think the long-term implications would be of withdrawing from the Prairie Agricultural Machinery Institute. That's now been done, and I guess time will tell, but I'm still concerned about that. But in terms of the Farming for the Future vote, I would like to know how the minister sees this program fitting with the Agricultural Research Institute. Would there be some co-operation, joining together of expertise?

I guess if I could ask a couple of specific questions about projects funded under Farming for the Future, I'm interested to hear the Member for Cardston talk about winter canola. I have a suggestion. Perhaps if you could cross canola with stinkweed, then we'd have the best of both worlds, because that stuff certainly seems to be first up in spring and is spilling seed on the ground before the end of May in an awful lot of areas.

MR. FISCHER: How would you like the flavour?

MR. FOX: Yeah. Well, we don't have to eat it, Member for Wainwright. We could export it.

But in terms of export, I would like to know also what happens in terms of discoveries made or conclusions drawn through Farming for the Future programs. Aside from disseminating that information within the farming public in Alberta, are there any technologies that become exportable, any things that may lead to development of an industry -- a particular implement, a particular machine, a particular technique -- that could be developed and exported or sold within the province or the rest of Canada in a commercial sort of way? I'm just wondering if there's been any experience like that with Farming for the Future programs, and if there has, what is that experience? If there hasn't, has there been any consideration given to how something like that might be handled in terms of patenting and things like that? Who is the owner of that technology? If, for example, a farmer comes up with an idea, receives some funding through Farming for the Future, and the idea works, whose idea is it? What obligation is there on the part of that farmer to repay the grant given under the Farming for the Future program if indeed that project turns into a commercial success for him in another way? I'm just interested to know what sort of comments might be forthcoming on that, Mr. Chairman.

MR. TAYLOR: Mr. Chairman, just to add on so they can do all their answers at once, I guess. I'm going to beat my favourite drum again. It's on weather modification. I know Farming for the Future had been approached by some of these weather modification co-ops and turned down, and the answer passed back to me was that Farming for the Future did not feel they had the right or the authority to put money into weather modification programs.

I notice a concept amongst many people here that weather modification is a black-box theory. I've spent a great deal of my life in an area called geophysics, which was a fancy name for a black box that went around looking for oil. Even the best geophysicist today -- one operating, say, in the North Sea, where oil is easy to find -- will only hit on one every five or six times. The average geological/geophysical consultant on the prairies hits a commercial discovery one out of every 10 or 12 times. Now, what I'm trying to get at here is that just because weather modification is tried and you don't get rain every time, that it is

not supposed to be any good, is ignoring the fact that around the world just as we developed in looking for oil and gas and certain minerals underground indirect methods that have lowered our odds or brought them in line over the last 50 years from first going along with a water witch or with a crowbar, the same thing has happened with rain. This seems so hard to get through to the members of this government. They still seem to take the attitude that weather modification has got something to do with voodoo and prayers and incantations and everything else, much the same way as 75 years ago you gave a "yuk, yuk, yuk" when somebody suggested using science to find water or oil. But we've accepted that now.

We realize that people can't find water every time they drill a well, oil every time they drill a well, or gas every time they drill a well. But for some reason or other -- and I listened to the associate minister say, "Well, we tried it once, and it didn't work." Well, most of us wouldn't even be here in the population if we tried it once and it didn't work. The fact of the matter is that it takes quite a little trying to get something that is worth while. What I'm trying to get through to the department is that I think Farming for the Future should be allowed to try some weather modification.

The other area that concerns me a bit is: because it's rather exotic in agriculture to grow the biggest tree or the most canola or the juiciest grape or whatever it is, there's not the type of incentive to research drought-resistant varieties that should be put forward. I see very, very little, at least so far, from Farming for the Future that doesn't concentrate on the fattest cow or the tallest wheat or the plumpest grain. In other words, I think drought-resistant varieties have started to disappear. We get the attitude of the hon. Minister of the Environment, "Well, let's look around, collecting more water to grow something more lush," rather than trying to develop programs on crops that will grow in less water. Even canola itself is planted in the driest part of our year. So I was very interested in hearing the hon. Member for Cardston talk about winter canola. If you travel any of the drought areas of this world, crops are planted in the fall and go through to spring and are harvested in the spring. They don't try to grow things in the summer. Yet we still are very oriented toward a spring growing season in southern Alberta.

May I also mention another system I would like to touch on and ask a question. I was wondering whether or not the department is doing any sort of interacting or integrating with the private enterprise sector in the fields of biogenetics. Because one of the more leading companies in North America in fact, financed by some of the oil people in Calgary, is doing quite a little work in biogenetics. I'm just wondering . . . I don't want to see this government ever go like they have in the oil business: the bigger and richer you are, the bigger grants you get. Poor old Esso staggers in the door with their elbows out of their sleeves and the knees out of their trousers: "Well, here's a billion. Go ahead and try to experiment." I don't want to see us go that far with agricultural experiments, in that the rich outfits like Dekalb in the U.S. or the big experimental agricultural things take our money and disappear. But I think there could be some integration in the biogenetic field, and I'd be interested in knowing if there's anything going forward in that area.

I've got about another dozen, but I think if you waded through those three, you're going to be doing very well. Thank you.

MR. CHAIRMAN: Hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. I have some questions, but first I'd like to congratulate the government on this program. This is an important type of diversification for the province.

MR. TAYLOR: Don't be too kind to them.

MR. McEACHERN: Yes, but Farming for the Future has done a lot of good experimental work in developing new projects, as has just been outlined by the member, so I won't repeat them.

I would point out, however, that the \$5 million is the same as it was last year and, I believe, the same as it was the year before that. Given that we do have a bit of inflation, I'm wondering if the intent of the government is to sort of wind it down. I know a lot of the capital projects division expenditures -- it was sort of the feeling last year that we were going to try to wind those down. Now, I know the total numbers this year sort of belie that and they're up a bit, and I know you held your own on this program, but I'm kind of looking forward to some comments about the future of that program from the minister and point out that inflation erodes the amount you can do if you don't increase the amount. So I think that's something I would like him to address.

I would say that this is a program that should lead to more diversification. In fact, if you think about the attempts of the government to diversify in a number of different areas -- and I'm not just talking only heritage trust fund; I'm talking budget and all kinds of things the government does -- some of the most successful programs they've had have been where they have specifically targeted money to certain things. I think that's what they've done here, and I think that's why it's being successful.

However, I would pose a couple of questions, in a sense, for the future, because my colleague from Vegreville was asking: is there any potential for export? The Member for Cardston mentioned that some of this experimental development is in special crops and trying to develop new crops, that sort of thing, that we hopefully could export. I guess I'm wondering: we can spend quite a lot of money trying to develop those new crops and trying to improve yield and so on, but we have to have markets for crops. Right now we're having trouble competing in, say, market gardening kinds of things and fruit things, of course, because we can't grow fruits as well as other areas like B.C. or Ontario or California.

I guess I'm wondering about the implications of free trade. I mean, it would seem to me that somehow we have to have a policy that goes with this kind of development that, to some extent anyway, protects those products, those fledgling industries as they get started, at least initially so that Albertans get used to buying from Albertans rather than looking to California, so to speak. Well, you know how we've got locked into the Safeway kind of system where we get our iceberg lettuce from the Imperial valley of California and our tomatoes from Florida. They pick them green and ripen them with chemicals on the way up here. I'm sure if we had our own juicy Alberta-grown tomatoes, the population would soon learn what a good tomato is compared to what we get. I'm sure this program is a step in the right direction and a lead into that kind of development here in Alberta in diversifying the economy, but I'm afraid the free trade may undermine any progress we can make in that direction.

So I wanted to express those questions. I guess, like the Member for Vegreville, I'm wondering if the new Agricultural Research Council will be taking over some of these programs or not. In last year's estimates there were three votes in the agri-

cultural section, and one of them disappeared this year because, I assume, the program was canceled or completed. It was almost \$1 million. It was \$905,000 for a food processing development centre. I'm wondering if that project is being taken over by the department now under the new Agricultural Research Council, or has it just been discontinued? I wonder if the minister could answer that question for me.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Hon. Member for Cardston.

MR. ADY: Thank you, Mr. Chairman. Maybe I could just try to answer some of the questions that were put by, first of all, the Member for Vegreville. He asked a question regarding the relationship between Farming for the Future and the agricultural institute, and I'll leave that for the minister to deal with. However, I would like to say my understanding is that the agricultural institute was brought into being primarily to deal with longer term research projects, whereas Farming for the Future can deal with lower cost projects that can move through in a maximum of perhaps five years, and most of them move through in one to two years.

He also asked a question regarding technology that is exportable. I'm sure that's an important factor. However, I think we have to understand that the funding for this project comes from our heritage trust fund, and it's primarily put in place to be beneficial to the farmers of Alberta. So that's the first priority, and if export has a place, it's of secondary importance, because the funding was put in place to give initial benefit to our local Alberta farmers.

To move on to the questions that were put by the leader of the Liberal Party pertaining to weather modification, all I can say about that is that it would appear to me that weather modification is too big a project, too vast and too nebulous for Farming for the Future to take on at this point, the reason being that I don't think it would be acceptable to the people who historically expect certain things to come from Farming for the Future. If all the funds were funneled into weather modification, I believe it would be a very big disappointment to the agricultural industry as a whole. The weather modification project has been going on for many years. There's been a great deal of money spent on it, and it has the potential to go on for many more years before it's a refined science. So I would have trouble advocating that money from Farming for the Future should be directed into that area because of the danger of its swallowing the whole fund. I just feel that if that program is to be funded, it has to be from some other source.

He raises the question of biogenetics. I think that's pretty limited at this point as far as involvement of Farming for the Future. Perhaps the minister has some other information that he may want to give on that.

The Member for Edmonton-Kingsway raised a question on funding, the fact that the fund was not increased. I think we need to bear in mind that the minister did well to hold the line at \$5 million and not take any decrease in funding in view of the budget that we came through during the past two years. We should also bear in mind that there have been some efficiencies built into Farming for the Future during recent years that have compensated for some of the inflation. I believe the program is funding just as many projects. The scientists who historically participate are doing a better job, they understand what's expected of them, and I believe we've benefited over the years from the efficiencies that have come into the Farming for the

Future program.

The Member for Edmonton-Kingsway also mentioned special new crops and wondered if perhaps there should be some protection put in place for them in their fledgling years. I think that would have to be pretty minimal if it were to be put into place, because it seems like once a subsidy is put in place for a commodity, it stays forever. If a commodity is coming on and it's not seen to be able to stand on its own within a very few short years, then perhaps it can never ever compete. We're looking for developing products through this program and for the agricultural sector that can go out and compete in the world market, and certainly in the Canadian market, on their own merits.

However, I would add that he spoke about tomatoes and cucumbers and that sort of thing. In southern Alberta there's quite a thriving industry, and they seem to be able to handle their greenhouses there and compete on a regular basis without any subsidy against the imports from California. I've certainly enjoyed the products they are providing to the market; they seem to be of good quality. So I believe that when people set their mind to investigating a product and bringing it on, making it competitive, they seem to be able to do it. They certainly have in that case.

I believe that answers all the questions I took note of to this point. I'll let the minister respond with what he has.

MR. ELZINGA: Mr. Chairman, in response, let me begin by paying a tribute to the hon. Member for Cardston for doing an outstanding job as the Member of the Legislative Assembly on the Alberta Agricultural Research Council.

MR. CHAIRMAN: Please address the Chair, hon. minister.

MR. ELZINGA: In responding to the three individuals who did raise questions, the members for Edmonton-Kingsway, Westlock-Sturgeon, and Vegreville, let me leave the hon. members with the assurance. The hon. Member for Edmonton-Kingsway and the Member for Vegreville had inquired as to what the status was of the funding. I thank the hon. Member for Edmonton-Kingsway for his commendation whereby we did maintain the level of funding where in other areas the levels were reduced to a small degree. This underscores our commitment to the research within the agricultural community. As the hon. Member for Vegreville also inquired, we just recently announced the further extension of Farming for the Future, another five-year mandate. In addition to that, we also had funding within our budgetary proposals for the Agricultural Research Institute of some \$3.1 million, of which \$1.5 million will be used this year. There are provisions within that also whereby there can be matching funds from the private sector, and we're hopeful that will be the case.

The hon. Member for Westlock-Sturgeon has left, but as it relates to his questions dealing with weather modification, the hon. Member for Cardston responded to that. We did have a late proposal under Farming for the Future, but our funding was committed. We are going to make sure that the two groups, Farming for the Future and the Agricultural Research Institute, work very closely -- again in response to the hon. Member for Vegreville -- and there is some possibility of some time at a later date whereby they be blended. But the hope is to make sure that the institute does offer long-term research projects, whereas Farming for the Future is more on a short-term basis. We are involved, as the hon. member probably is aware too,

with the private sector whereby we do have private-sector members on both boards.

MR. CHAIRMAN: Hon. members, please do not refer to the absence of members in the House.

MR. McEACHERN: Thank you to both members for their answers to previous questions. I do have one more. I would like perhaps either member to tell us a little bit about how research projects are decided. I know they, of course, entertain requests from various organizations or individuals, probably mostly individuals in the on-farm ones. But I guess what I'm kind of wondering is -- and I suppose the appointment of the Agricultural Research Council probably indicates the government has some ideas of its own as to which direction research should be moving. I wonder, in terms of what kinds of research, does the government initiate research? And in what directions? What's the plan for the near future in that regard? Perhaps the minister could comment a little bit.

MR. CHAIRMAN: Hon. Member for Cardston.

MR. ADY: Yes, thank you, Mr. Chairman. There's a process involved, the process being that there are nine committees segregated among a variety of agricultural interests. There are people of scientific background, agricultural background, government people from the department, who are called to be on these various committees, and they each weigh the projects that come before them as to their value to agriculture in Alberta and the benefit to them. They prioritize them, and then the chairman of that committee takes it to the Agricultural Research Council and sits down with the chairman of the nine committees. Again they're prioritized with that criterion: the benefit to agriculture in Alberta.

As far as strong direction from the minister or the government, it's left primarily to the members of the committee and certainly to the members of the Agricultural Research Council to make that decision. Eventually, through a means of elimination, the projects are selected with that one criterion being foremost: the amount of benefit to our farmers and ranchers and processors in our province. I believe that answers your question, hon. member.

MR. CHAIRMAN: Are you ready for the question?

Hon. Member for Edmonton-Kingsway.

MR. McEACHERN: I think I just remembered that the Minister of Agriculture . . . I don't think you answered my question about the Food Processing Development Centre, unless I just didn't hear it. I think you missed that.

MR. ELZINGA: Yes. The hon. member is correct, and I regret that I didn't respond to him. That has now fallen under our marketing division within the department. We use some funding from the heritage trust fund to purchase equipment and machinery for the food processing laboratory in Leduc. That has been done now, and it's immediately under the marketing division of our department.

Agreed to:

Total Vote 1 -- Farming for the Future	\$5,000,000
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MR. CHAIRMAN: Hon. minister.

MR. ELZINGA: Mr. Chairman, in speaking to vote 2, I again am going to have a Member of the Legislative Assembly involve himself in this debate, who has been very instrumental . . .

MR. CHAIRMAN: Excuse me, hon. minister. Perhaps we could have that vote 1 reported.

MR. ELZINGA: Oh, I'm sorry, Mr. Chairman, I move that we have vote 1 under Agriculture, Farming for the Future, recorded.

[Motion carried]

## 2 -- Irrigation Rehabilitation and Expansion

MR. CHAIRMAN: Hon. minister.

MR. ELZINGA: Thank you very much, Mr. Chairman. In discussing our second vote dealing with Irrigation Rehabilitation and Expansion, it is very self-explanatory, as I indicated in my opening remarks on vote 1 and on page 5. The objective is to assist irrigation districts within the province to ensure efficient distribution of water to Alberta's irrigation farmers.

[Our department] administers the program and provides grants to the 13 irrigation districts for two categories of projects; major works -- the rehabilitation of larger canals and the rehabilitation and construction of reservoirs . . .

Mr. Chairman, the chairman of our irrigation caucus committee is the hon. Member for Cypress-Redcliff, Mr. Alan Hyland, and I would ask him to also participate in this debate because the irrigation districts are something very dear to his heart. I would defer to him at this time.

MR. CHAIRMAN: Hon. Member for Cypress-Redcliff.

MR. HYLAND: Thank you, Mr. Chairman. Just to briefly outline the irrigation rehabilitation portion of the trust fund amounts, this covers 86 percent of the cost of the project; the remaining 14 percent is covered by irrigation districts. I've given, I believe, to members of this Assembly before, a study that was done a couple of years ago of the benefits of the 86/14 ratio and the benefits to the general population of Alberta, and indeed Canada to some extent. If members don't have them, I can see that they receive a copy of that study. It outlines how those numbers were arrived at, and that they're still in date today.

To achieve changes in irrigation upgrading, the irrigation districts plan it, along with the consultation of their boards and the farmers along the ditches. It is then reviewed by the Irrigation Council and given their suggestions on it, and then passed on to the minister for his approval. From there they go ahead with the construction of the projects. Probably 99 percent of the work is done by out-for-bids done by private contractors; very little of the upgrading is done by the districts themselves. So, Mr. Chairman, I think it's mostly private contractors.

With that brief outline, I'll await any other comment other members may make on it.

MR. CHAIRMAN: Hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman. I would like to make a few comments under vote 2, the irrigation rehabilitation and expansion program. Certainly I think the \$25 million that we're proposing to spend through the capital projects division of the

heritage trust fund on this project is money well spent, because, as members recognize, we have a number of existing irrigation systems in the southern part of the province that were established some years ago with the technology available at the time and experience has shown that those systems can be improved. If we line the canals or try and improve the method of delivery of water, we not only find we have a savings in water, that not so much is wasted and more gets used for the stated purpose, but we don't have the same sort of deleterious effect on other parts of the environment; for example, increased salinity of adjacent soil. Land adjacent to the irrigation ditches has, in some cases, been rendered unproductive because of saline seep and things like that.

So I just want to emphasize that we in the New Democrats recognize the important benefits that irrigation has brought to the southern part of the province, not just in terms of increased agricultural productivity but certainly secondary processing and the overall economy of that part of the province. That being said, we're all in favour of spending money to improve the efficiency, to make these systems a little bit more economically and environmentally sensible.

I'm going to support the minister here, but I'm worried because I fear he may have trouble getting this vote through his own caucus, Mr. Chairman. I guess I base that on experience, because the hon. Member for Cypress-Redcliff proposed in this Assembly a motion:

Be it resolved that the Legislative Assembly urge the government to continue its programs of water management, including the construction of reservoirs and drainage systems.

That's a fairly benevolent motion that most members could support, and my hon. colleague the Member for Edmonton-Glengarry proposed a very reasonable amendment to that motion that substituted the word "improve" and added to the end of that motion, "by making them more economically and environmentally sensible." The amendment by the Member for Edmonton-Glengarry sought to do exactly what the minister is proposing to do with this \$25 million under vote 2, Mr. Chairman. I don't need to remind all hon. members of the history of that motion, but it was defeated unanimously by the members of the Conservative Party. They did not want to see us approve a motion that would suggest that we improve our system of water management and make it more economically and environmentally sensible.

So I'm really worried that as important as this \$25 million vote is under the irrigation rehabilitation and expansion program, the government members, the Conservative members, even those from southern Alberta, seemed unwilling in a previous discussion in this Legislature -- and I assume they're consistent in their debate -- to approve an amendment that would try and make our irrigation systems, our water management systems, more economically and environmentally sensible. But I want the minister to know that he can count on our support, and if somehow he's managed to change the minds of the members of his caucus, then the vote will likely proceed.

MR. CHAIRMAN: Hon. Member for Edmonton-Glengarry.

MR. YOUNIE: Thank you. I have a couple of concerns under this and under the whole rehabilitation scheme. One is the issue of patronage and the possibility that the private contracts referred to by the Member for Cypress-Redcliff are, in fact, costing more than what it should to get projects done, and I've heard that accusation made publicly by people in the areas, people

who have held positions of responsibility in irrigation districts.

MR. CHAIRMAN: Order please.

MR. YOUNIE: Now, I realize that to ask a Conservative government to try to prevent patronage is a lot like asking Ayatollah Khomeini to write a book on religious tolerance. But that notwithstanding, I would want the minister's assurance that he is doing everything possible to scrutinize those contracts, to get competitive bids in, and to ignore whether or not the owner of the company putting forward the bid has a long history of Conservative involvement and donations during election times. Because that may not necessarily be a criteria that will guarantee the most efficient worker and the most cost-effective way of getting it done. So I'd really worry about patronage in the way these projects get carried out.

MR. CHAIRMAN: Excuse me, hon. member. If the Chair heard correctly, you had made some disparaging remarks on a foreign head of state, I believe. I don't believe that was the intent of the hon. member.

MR. YOUNIE: No. No, it wasn't. In fact, it was intended to be a disparaging remark of a particular political philosophy and the people who follow it in Canada and Alberta.

MR. CHAIRMAN: *Beauchesne* is very clear on that point. I just draw it to the hon. member's attention.

MR. YOUNIE: Thank you. I thought it would be obvious to all members of cabinet upon whom I was heaping . . .

AN HON. MEMBER: Abuse?

MR. YOUNIE: Abuse -- yes, thank you.

Anyway, the patronage issue is important to many Albertans. They worry that their money is not being spent as wisely as it could be, so I'd like the minister's assurance on that.

I have another issue I'd like him to give me some assurance on, and that involves the fact that the expenditures being done on this and other irrigation projects fit into the heritage trust fund under deemed assets. Now, as everyone knows, an asset is something that you can theoretically sell to raise cash and that under the right circumstances you would indeed consider selling to raise cash if cash were needed.

AN HON. MEMBER: Is that credit or cash?

MR. YOUNIE: No, that's what you guys raise for Ken.

Anyway, I think it's very important to consider that, because the implication is that the government considers these things -- well, there's only one of two possibilities. One is that the government is intentionally lying in the way that it accounts for these things under the heritage trust fund bookkeeping, or the other is that they do consider them objects for resale to raise cash when the need arises. We've seen a precedent in B.C. where, in fact, a water management project for a hydroelectric development was sold to foreigners, to Americans. So that precedent has already been set by a Conservative government. Although they call themselves Socreds, I would point out that a stinkweed by any other name still stinks, and that they are, in fact, a Conservative government by another name. They have considered selling that kind of water project to foreigners, and

have done so.

I would like some assurance from the minister that no need in future would be great enough to cause the government to consider our water management projects, including these ones, for sale to any foreign power. And I would like some assurance that, in fact, if the government decided to sell these things to the private sector -- and they've talked about how important it is to privatize everything they possibly can: a backbencher introduced such a motion in here and it was debated. So I presume that a lot of the backbenchers would like to privatize these at the same time they keep them from being economically and environmentally sensitive and keep them from being improved. I'm wondering if the minister can show me where in the free trade agreement and the enabling legislation the province maintains the power to sell them but restricts the sale to Canadians, if they choose to sell them in the future. Because obviously, under free trade, for anything we're selling it's got to be equal whether the potential buyers are Americans or Canadians. So I would like the minister's assurance on that as well.

MR. CHAIRMAN: Hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. Just a few brief points and questions. First, I think one of the things you have to really consider very carefully when spending this kind of money, this \$25 million -- and I might point out that it's down a bit from a couple of years ago when it was \$30 million -- is the cost-effectiveness of the system. Although the Member for Cypress-Redcliff is a strong advocate of irrigation -- and I'm partly convinced by his enthusiasm -- I don't think the government has really done the kind of homework that they can really show and prove to us that irrigation is a paying proposition in a province where we have a lot of very good land that can raise an incredible amount of produce without irrigation.

So I think it's incumbent upon the government to be more specific and to show that very specifically. That doesn't say that we shouldn't do some irrigation projects, but I just think the proof of the pudding, so to speak, has not been very well demonstrated, although it may very well be that it can be. I hope the government will be more forthcoming with studies and show that, in fact, it does pay off.

One of the reasons it may not be paying off as much as it might -- and this relates back to the efficiency thing as mentioned by both my colleagues that spoke before me. I think it's related to the share of the costs paid by the farmers that benefit from the irrigation. I think the government should reconsider the way in which they collect the revenues or the way they charge the farmers involved for the water. If you just charge a sort of flat rate for so many acres, then you don't give that farmer any particular incentive to be efficient in the amount of water he uses to get the best growth, the maximum growth, out of the minimum number of gallons of water. Of course, in southern Alberta we are short of water, and we do need to pass a certain amount on down the river systems to Saskatchewan.

So I'm wondering if the government is taking a look at the procedure by which they decide the share of the costs of the farmers that benefit from a particular project, both in terms of the share cost -- I think it's some 14 percent of the capital kinds of costs the particular district has to pay; that's one aspect of it -- and also the amount that an individual farmer has to pay for the amount of water he gets. Is there some way of making that part of . . . For instance, the 14 percent is a fairly small portion, and that might make it easy for a lot of farmers that will benefit

from the Oldman dam to say, "Well, yes, I want the Oldman dam," whereas if they had to pay, say, 50 percent of the costs, they might have to stop and think a little bit more seriously of it.

So I'd like that part of the question addressed in terms of cost, but also the other part the individual farmer and what he pays per acre-foot, I think it is, of water he gets. Is there some mechanism by which they could say that a farmer could save money by being very stingy, if you like, with how he distributes the water on his land? Perhaps better and more efficient methods than he has now, so that he wouldn't have to pay a sort of flat rate. Then it doesn't matter to that farmer how much water he uses, because he's kind of paying this lump sum anyhow and there's not really an incentive built in to being as efficient as possible.

So those were the sort of main points I'd like to make. I guess I'd just add a little, if you like, kind of political point the point made by the Member for Vegreville about how the Conservative members of this Legislature voted on the motion that was before the Assembly a while back about improving the efficiency of the irrigation system, and then how they might vote on this one. I don't think there's any doubt that the Minister of Agriculture and the Member for Cypress-Redcliff will get the support of their Tory colleagues on this vote, even though it's very similar to that motion, the amendment of which, proposed by my colleague from Edmonton-Glengarry, they defeated. I think they should think about how and why they would vote differently on the same motion. Just because somebody from this side of the House proposed the motion, it gets defeated, even though it's a good one and even though it agrees with what they will now today decide to vote. I think you should think about that a little bit. This place does have room for some democracy and does have room for some give-and-take across the floor. I don't think government members should automatically sort of vote something down merely because it was proposed from this side of the House, and then turn around and support the same thing . . .

MR. CHAIRMAN: Hon. member, we're straying somewhat from vote 2. The member appreciates that.

Cypress-Redcliff.

MR. HYLAND: Thank you, Mr Chairman. Firstly, I should point out that on Motion 209 it was the amendment that was defeated; we didn't get to vote on the main motion.

MR. McEACHERN: Yes. Which is what made it like this.

MR. HYLAND: Some of the members talked about savings in water. In rough terms, if memory serves me right, we're irrigating almost 25 percent more acres with roughly the same amount of water that we were 10 years ago. That's because of, obviously, improvements in laterals. But the greatest is that the farmers in their systems are generally ahead of the district because they've gone to the modernization of pivots, et cetera. As the canal changes have come in, underground piping has come in. The farmers have already gone to that stage, and they are producing a crop with fewer acre-feet of water than what they were previously, because they're putting it on more uniformly and putting it on at the right times, thus gaining in the crop production and using less water to achieve that. I think that's partly Edmonton-Kingsway's comment about maximum growth for minimum water. That's happening.

The cost-effectiveness of the system we could argue, he and

I, for days. We did it in trust fund; we'd probably continue to do it in other places. I suppose the one thing I could say this year will tell the story. We have in the far north, now that it's rained in the Peace River, hay up there, fodder up there. We have alfalfa in the south in the irrigation areas only and very little cattle feed in between. This year will partly tell that story.

The 86/14 percent. I'll send the member another copy of that study that addresses that issue that the irrigation districts had a consultant do about four years ago. I think that'll answer some of his questions related to that. But in addition to the 14 percent on the capital projects related to this, the improvement of the districts, each individual farmer is responsible to pay the irrigation districts a fee per acre-foot of water. It ranges, if memory serves me right, somewhere for a minimum of \$5 at the very small districts to -- I believe St. Mary is the highest -- somewhere in the neighbourhood . . . I think my water rate is \$14.70 per acre, which works out to, I believe, \$1,800 per quarter section, which is about two and a half times your taxes on that land.

The sale of irrigation districts to foreigners and what may or may not be in the free trade agreement to prevent it. I guess I could ask the member: could the city of Edmonton be sold to a foreigner or to anybody? Irrigation districts are quite similar in their powers and their setups to municipalities, so they're owned by the people who are using them. So it would be very difficult, impossible for that kind of a sale to occur, because the works associated with it are owned by everybody. As the member knows from his time teaching in rural areas, to get thousands and thousands of farmers to agree on one thing would be impossible. The way those things are set up, I don't think that could ever happen.

Contracting is done directly by the irrigation districts themselves. The government has no input into who's awarded the contracts on this program. It's all done by the districts themselves. They advertise themselves. They make the contracts directly with the contractors. They do the supervision. We have no involvement in that process, so any awarding of contracts is done by the contractors. If there are instances where it's been overpaid, we should know about them. We should have names and instances so that the next time a project comes up in that area, it can be assessed that it was best dollar spent.

One question related to adjacent lands and saline seep and that sort of stuff. The one thing that was done that has come back as maybe not being the right thing was related to -- and we went through, and the big emphasis was on stopping any more land from being damaged along ditches and in farmers' fields. What we did in cleaning that up and sealing the canals, a lot of the cattails and that disappeared. We do have a problem with the loss of habitat for pheasants, ducks, et cetera, which some districts are now trying to assess and put pockets of land aside to compensate for that. With the continuation of the program that's one thing we have to continually look at now. It's something in enthusiasm with all groups. Even fish and game groups didn't realize it was happening to us till it did happen. Now it's something we're trying to work with so that that doesn't happen to us again.

Thank you.

MR. MUSGROVE: Mr. Chairman, I just wanted to make a few comments in response to the Member for Edmonton-Kingsway on what farmers should be paying for irrigation. For the record, along with your water rights anyone who wants to expand their irrigation on their land pays \$50 an acre for that expansion



originally.

MR. CHAIRMAN: Order please.

MR. MUSGROVE: Then they pay into the water rates after that. All land is classified by the Alberta land branch, and it must come to a certain land qualification before it will be allowed to be irrigated.

He was talking about farmers using excess water. At one time that was a great concern to the irrigation districts. But now any water that is spilled is directed into a major spillway and either flows back into the Bow River or into the Red Deer, and it is part of the water that is required to flow into Saskatchewan. So that water is not lost, but it becomes part of the necessary amount of water that we have to send into Saskatchewan at the Alberta border. So now the irrigation districts are not as concerned about there being spill water, because it's part of our allotment into Saskatchewan. Just a few comments I wanted to make to make the members aware that irrigation to the farmers is not quite as free as they think it is.

Thank you.

MR. CHAIRMAN: Hon. Member for Edmonton-Glengarry.

MR. YOUNIE: Thank you. Just one point on the clarification given by the Member for Cypress-Redcliff, and I appreciate it. He made it clear that one of the deemed assets of the heritage trust fund in fact is something that would be totally impossible to sell. Now, by definition an asset is something that theoretically you can sell to raise cash. That's why it's called an asset. Now, I said we have a choice in that case in how we view putting irrigation headworks in the accounting books as an asset. The choice is either there is consideration of selling it or the accounting system is a lie. Calling this an asset is pure deception to make the fund look bigger than it really is. That point has been made in this House many times.

I think maybe it's just fair to thank the Member for Cypress-Redcliff for clarifying that, in fact, calling these irrigation headworks a deemed asset under the heritage trust fund accounting system is a deception of an intentional nature designed to make the fund look bigger than it really is, because even government members are aware that they are not assets that we can sell to raise funds when the need presents itself. So I presume now that a government member has revealed that, cabinet will take appropriate action to transfer these so-called deemed assets to something else that lists them as expenditures from the heritage trust fund and money that has been taken out of the fund and no longer exists as part of the fund, and the true value of the fund can be represented to the rest of the country.

MR. ELZINGA: Mr. Chairman, I want to just respond to the hon. Member for Edmonton-Glengarry. I appreciate very much his input in this debate. I wouldn't want him to twist the hon. Member for Cypress-Redcliff's words. I know that's not his intention.

MR. HYLAND: Tell him to look at my comments in trust fund committee.

MR. ELZINGA: As the hon. Member for Cypress-Redcliff indicated, his comments in the trust fund committee elaborate upon what he has indicated. We're going to bring his comments to the attention of the Provincial Treasurer also, under whose

jurisdiction the trust fund does fall. But I should indicate to the hon. member that these assets, these so-called deemed assets, could be sold to the individuals within the irrigation districts. So there is that probability of claiming them still as assets.

But I do want to thank the New Democratic Party for their support, as was evidenced by the hon. Member for Vegreville, and to respond to a couple of concerns that the hon. Member for Edmonton-Glengarry raised, especially as it relates to patronage. He indicated that there was a possibility of patronage. I'll share with him that we recently conducted a study as it related to the cost-effectiveness, the private contactors versus the work done by the specific irrigation districts. The study uncovered that there was no truth to the allegations as suggested by him. In addition to that, the individual districts themselves are the ones who do the contacting, not us. We have nothing to do with it, as the hon. member I'm sure is aware. In addition to that, Mr. Chairman, we're again once removed in that we allocate the funding to the Irrigation Council, and the Irrigation Council in turn distributes the funding to the irrigation districts throughout the province.

I want to also thank the hon. Member for Edmonton-Kingsway. The hon. Member for Cypress-Redcliff again responded to him as it related to the cost-effectiveness and the economic benefits. I want to indicate, Mr. Chairman, and by doing so indicate my thanks to you, sir, for bringing to our attention the superb work that the individual irrigation districts themselves are doing and our Irrigation Council and take this opportunity as we review the estimates that we allocate to them on an annual basis to do so and to pay tribute to them, as you have done on many occasions. A special tribute to our Irrigation Council and to our irrigation districts and a special thanks again to the members that participated. A special thanks to the hon. Member for Cypress-Redcliff for the outstanding performance he does contribute by way of chairman of the irrigation caucus committee.

MR. CHAIRMAN: Before proceeding, hon. Member for Edmonton-Glengarry, the Chair may have heard incorrectly; however, the Chair did hear him responding to comments of the hon. Member for Cypress-Redcliff with the word "deception." It appeared to be "of an intentional nature," which is clearly contrary to *Beauchesne*. The hon. member may want to consider that or, as the Chair is going to do, await the Blues. It may be that if the hon. member feels he may have been in error, he can take appropriate action now.

Hon. Member for Edmonton-Glengarry.

MR. YOUNIE: First, I would ask your advice. What I said was that the method of accounting is an intentional deception. I did not accuse a specific member of intentional deception; I said this method of accounting is intentionally deceptive. If that is indeed unparliamentary, although I don't know of any accounting methods that have been elected to the Legislature before to be so offended, then I would consider withdrawing it on your advice. I'll wait until you enlighten me on that.

I do have one comment about what I see as a very clear contradiction between what the Minister of Agriculture said and what the Member for Cypress-Redcliff said, in that the Member for Cypress-Redcliff said that the irrigation system couldn't be sold. It would be like selling the city of Edmonton. The Minister of Agriculture said that the system could be sold to the people in the area who operate it, thereby raising cash. Now, under free trade if we're going to sell anything to anyone, American

buyers would have an equal right on a nondiscriminatory basis to buy anything we're making available for sale. We would not have the right to restrict it only to those people operating it. So again I come back to the question: which one of you is correct? Could we sell these systems or not? And if we could sell them, is it possible that a group of American entrepreneurs could buy them and, once owning them, could modify them to sell the water into the United States rather than making it available to farmers in Alberta?

Now, I would point out that the Milk River irrigation district in Montana has a pamphlet out called *Milk River: Making it Meet the Needs\**, in which they describe negotiations with officials in Canada concerning the potential for buying or renting storage capacity behind the proposed Milk River dam in Alberta, so in fact there is already consideration being given to allowing Americans to buy storage capacity within the systems. So I'm very concerned that if we're going to continue to call this an asset and continue to say that it is not a deception, that it is an asset we could sell, how could we prevent it from being sold to any particular group, including Americans? That's not being answered. One says that we can't sell it, and another says that we can. So I would really expect a clarification on that.

MR. ELZINGA: Mr. Chairman, I appreciate the confusion that exists within the hon. Member for Edmonton-Glengarry's mind. Our statements are consistent, and there is no contradiction whatsoever. Again the hon. member is being confused with facts, and that's nothing new to him; I recognize that. But I share with the hon. Member for Edmonton-Glengarry that what we are going to do, as I indicated to him, is make sure that his comments are brought to the attention of the Provincial Treasurer, under whom the heritage trust fund is administered, so that we can have clarification as it relates to the assets of the fund itself, especially dealing with the irrigation projects. And I will make sure that that is done for the hon. member.

MR. CHAIRMAN: The Hon. Member for Calgary-Millican.

MR. SHRAKE: Yeah. I've got a lot of concerns. I didn't realize that we might sell off those irrigation canals. I've got one coming out of the Calgary area there, and it goes through the east side of the city, called the WID canal. Now I am concerned to hear that we might sell it maybe to the Americans. I want to assure the minister that I'd like to hear his comments on this. If we sell it to the Americans and they hook a big truck on it and they go dragging that thing out of Calgary, you'll have a lot of people upset out there. I can just see it now: that thing bumping behind a big truck going down that highway down south there and those residents sitting out with their pickets and petitions, sir.

MR. CHAIRMAN: Hon. Member for Edmonton-Glengarry.

MR. YOUNIE: Thank you. I would point out to the minister that if there is a confusion of facts, it's because I'm trying to figure out what was meant by the facts presented by the minister and the Member for Cypress-Redcliff, assuming that they were indeed facts. The confusion is in the obvious discrepancy between what was said.

Now, the question still stands: could the systems be sold, and if so, could then the new buyers charge whatever rate they want to charge farmers for water? We've had questions about

the rates and, I mean, as humorous as the presentation from the Member for Calgary-Millican was, it doesn't make a lot of sense. Obviously, they're not going to take the canal to the United States. But in buying the system, they would want to charge whatever the market would bear for the water, and they would want to get it to the buyer willing to pay the highest price. That might indeed be an American buyer, and all they would have to do is make a few modifications once you're through all the water projects that are on the long-term planning schemes.

So I want an explanation. Could they be sold or not? And if they could be sold, would we have the ability to make sure it didn't get sold to any group of entrepreneurs out of the country?

MR. ELZINGA: I'm happy to report and respond to the hon. member for the third time and indicate to him that we are going to have the Provincial Treasurer, under who's jurisdiction this falls, respond to him in a detailed way. But it's as the Member for Cypress-Redcliff indicated: it's similar to a municipal jurisdiction, and the irrigation districts themselves are self-governing. I don't know what more we can add, Mr. Chairman, to the hon. member, but we're going to make sure that we get a detailed response from the Provincial Treasurer. But the irrigation districts are much like a municipal body in that they are self-governing. We have assets that we consider should be calculated as assets under the heritage trust fund, and we'll make sure that the Provincial Treasurer does give him a detailed answer.

MR. CHAIRMAN: Hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman. Just to jump in on this important point, there has been quite a bit of discussion in the Assembly today about the implications of water exports in a variety of ways. It was raised in question period by the leader of the Liberal Party in his questions to the hon. Premier. The Premier stated emphatically that in spite of the fact that tariffs are listed in a schedule of tariffs in the free trade agreement for the export of water and in spite of the fact that this government has had a program called PRIME on the books for some years and son of PRIME and in spite of the fact that a number of their projects seem to be leading in that direction, the Premier stated emphatically that water export is not something being considered.

I think my colleague for Edmonton-Glengarry is merely pointing out that if irrigation systems are available for sale, under the terms of this free trade agreement they must be therefore available for sale to American buyers as well. That's not to suggest that the systems would be hooked up behind a pickup truck and dragged to someplace in the Lone Star state. But I think people ought to realize that if people other than Canadians have control of some very precious systems and feel they have access through the free trade agreement to the resource called water, then we're in perhaps a fairly precarious situation. They may decide in their ultimate wisdom sometime in the future that the water in their canals would be put to better use irrigating land in Montana. And I'm sure hon. members have seen that there are plans that have been distributed in the state of Montana that talk about accessing water from the province of Alberta.

So this isn't an argument of fantasy. It's in the real world, and I think it's something that we ought to be concerned about. Water is not referred to in a specific way in the free trade agreement, spelled w-a-t-e-r, but there are a lot of people who read that agreement who feel that water could be interpreted as an

\*This spelling could not be verified at the time of publication.

energy resource. You know, if it's providing energy for crops to grow or if it's going to fall some height and drive a turbine to produce electricity, it can be considered an energy resource in the broadest sort of interpretation. And my experience with the American government is that if they make an interpretation, then they act on that, whether we agree with it or not, Mr. Chairman. So I think the concern that Albertans have about the future of our precious water resource is justified, and I hope that the minister and this government give it due consideration.

MR. ELZINGA: Mr. Chairman, I want to underscore what the Premier indicated today. Again we've got an example of -- I don't want to give any justification to the way that individuals are attempting to develop scare tactics. Our Premier, the Minister of the Environment, and this government have indicated on a consistent basis that water is not for sale. We're happy to underscore that again.

The hon. members are attempting to imply, as it relates to our irrigation systems, that simply because they're not for sale, they have no value, which is pure stupidity.

MR. YOUNIE: It's not an asset.

MR. ELZINGA: The hon. member indicated that if it's not for sale, it should not be an asset. Is that what he's saying?

AN HON. MEMBER: They're deemed assets.

MR. ELZINGA: A deemed asset. So in other words, it has no value. That's utter nonsense. I can point to a number of items in this province that are not for sale, but they are very significant assets, and they have a very significant value. I'm happy to leave the hon. member with the assurance that we're going to follow through with the commitment. I don't know what more I can add than to leave him with the assurance of the commitment from our Provincial Treasurer.

MR. CHAIRMAN: Are you ready for the question?

Hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Yes, thank you, Mr. Chairman. This question of the deemed assets is a rather odd one, I must admit, but it is the government that's got itself tied in knots on it, not us. I think we do understand the problem.

The deemed assets are something that the Auditor General for a number of years has been telling the government they should not include in the total assets of the heritage trust fund, and we've agreed with that. The Treasurer is quite well aware of that already. You can make the recommendation to him all you like, but he's already heard it every year for a number of years until last year actually, and then the committee chickened out on making the recommendation again, even though some of us suggested it, just, I guess, not to bug the Treasurer anymore because they've kind of given up on him. But I guess I would have to say that it doesn't really matter whether he reduces it. To that extent, what you said at the end was in some senses correct. If the Treasurer reduces the value on the books of those dams and irrigation facilities down to \$1, in effect saying then that they're not for sale and they're not considered something that you can, well, put up for sale, that doesn't really stop the districts. And if I understood what you were both saying over there, it's that the districts can claim ownership in a sense, or at least certainly they're going to use it.

But I think you need a policy decision over and above a technical accounting decision that you're looking for from the Treasurer, which you will probably not get, to say that this government would not sell any of those irrigation headworks to anybody except the very people using them if they chose to buy them. Quite frankly, if they're going to buy them, you'd sell them to them for \$1, I would think, because they were built with the idea of being used, not with the idea of making the Alberta government some money. And of course, they have value. Of course, they promote irrigation, and we recognize that. But it's not the kind of thing that the provincial government would expect to make money out of, at least I wouldn't think so, not even in a sense selling them to the irrigation districts themselves, although that concept, I suppose, could be put in place. But certainly what we need is a statement from the government side saying that they would never sell the ownership of those irrigation headworks, and hence the water being used and going through those irrigation headworks, to anybody except of course, you know, people in the districts who are using it, in which case then you would obviously, I would think, do it for a dollar, not for some other high price.

So, Mr. Chairman, the confusion tends to be on the other side of the House, and I don't think making representations to the Treasurer is going to make the problem go away. What we need is a policy decision where the government says categorically that they would never consider selling the ownership of those resources to anybody other than the people who are using the water.

MR. CHAIRMAN: Are you ready for the question?

Hon. Member for Edmonton-Glengarry.

MR. YOUNIE: One very quick point to the minister, who so adamantly denies that there's any kind of scheme to divert water and sell it to the United States. I would just remind him that before he and I were in this Legislature, Grant Notley tabled and discussed in this Legislature a number of leaked cabinet documents that indicated there had been an active and definite cabinet decision to (a) go ahead with a water diversion scheme and (b) adamantly deny it until it was ready for implementation. So on that ground the minister, I'm sure, will forgive me if I am a cynic and a skeptic and a firm believer that this government is going ahead with its water diversion scheme and going ahead with its active plan to deny it until it's ready for implementation.

MR. ELZINGA: My deepest thanks for the wisdom that the hon. member has conveyed.

MR. CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

Agreed to:

Total Vote 2 -- Irrigation Rehabilitation and Expansion	\$25,000,000
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MR. ELZINGA: Mr. Chairman I would like to report vote 2, irrigation rehabilitation.

[Motion carried]

**Department of Hospitals and Medical Care****1 -- Applied Cancer Research**

MR. CHAIRMAN: Hon. Minister of Hospitals and Medical Care, do you have any comments to the committee?

MR. M. MOORE: Mr. Chairman, yes, I do, thanks. There are two different votes here, and I'll deal with them separately but make some opening comments on both of them, the first one being the Applied Cancer Research vote and the amount to be voted there, \$2,800,000.

As hon. members would know from last year's estimates debate, the annual grants for this program were established in the 1976-77 fiscal year -- we're now into the 11th year of the program, I guess -- with the objective of providing "funds for applied cancer research," which may "entail the establishment of new or expanded treatment programs and the purchase of advanced technological equipment."

The Alberta Cancer Board established an advisory committee on research. It's an independent body with members from outside Alberta which reviews and recommends on all research grants as well as on the board research initiatives. In addition, of course, the final decision with respect to approving projects under the expenditure vote rests with the Minister of Hospitals and Medical Care. I need to advise the Assembly, Mr. Chairman, that because of the nature and expertise of those individuals involved in the applied cancer research grant program, over the course of the two years I've been involved I have accepted the recommendations of the committee and have not in any way altered them.

Perhaps the best thing for members to do to get an indication of the value of this research and what is being done is to refer to the annual report of the Heritage Savings Trust Fund applied cancer research program. I have at the present time received the report for the year ended March 31, 1987, which is a year ago, and I expect shortly to receive the report for the year ended March 31, 1988. I can make copies available to any member who would request one; they're in my office. This report gives a good indication of the initiatives carried out with this funding. It is not possible at this time to indicate what initiatives will occur in 1988-89 with the dollars we're voting here, simply because after the estimate is approved, the final recommendations come to my office from the research committee, after which time approval is granted.

That's the Applied Cancer Research vote, Mr. Chairman. If I could just make some brief comments on the second one, the Walter C. Mackenzie Health Sciences Centre. The particular project has been ongoing for some years, and we have a total . . .

MR. CHAIRMAN: Mr. Minister, perhaps we could deal with vote 1.

MR. M. MOORE: I would prefer to deal with both of them in my opening remarks, if I could, but I'm in your hands, Mr. Chairman.

MR. CHAIRMAN: Well, we have started on the basis of one vote at a time, if that's satisfactory.

MR. M. MOORE: Okay.

MR. CHAIRMAN: Any comments, questions, or amendments

proposed to the proposed investment? The Chair would encourage hon. members to read the objective of the vote before the committee, found on page 10.

Hon. Member for Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Chairman. Before we begin, I certainly think we should congratulate the minister for his achievements in the weigh-out campaign. Word has it that he was able to reduce his weight over the last week substantially, and I want to congratulate him on that. I've always thought this minister has been "way out" from the beginning, but it was confirmed last week. Maybe he could use some of the money from his reduction of weight and his diet book, maybe get some money from that and put it to applied lipid research in the province, which helps to deal with fatty tissue and so on.

At any rate, Applied Cancer Research, Mr. Chairman, really presents a number of conundrums which -- I appreciate what the minister said, and we've heard it before. But last year I actually asked 20 questions about this particular vote. We were challenged in committee to ask questions about the vote and where the funding was going, and I haven't got one answer back, either verbally or in written form, to my 20 questions of last year. So maybe we'll just have to go at some of them again, although I guess without much success rate. I'm just going to try to prioritize them and get some of them out if I possibly can.

A number of the questions that we raised last year had to do with the nature of the research projects themselves. I asked questions about decisions with respect to how much of it was going to AIDS research, for instance, Mr. Chairman, as a number of forms of AIDS are really a form of cancer, how much funding was going to the prevention of cancer; that is, smoking cessation or other ways not just to analyze cures for cancer but rather prevention programs around cancer. Certainly a lot of work continues to need to be done around pain control and palliative care for people who are dying of cancer. I know that I've looked at some of them in the annual report, and it seems to be there. But the word I get from the research community is that it's not enough and that they're not getting access to the dollars that are needed for research in those areas.

Then I asked questions about whether or not there was a policy in this fund around for-profit research. It's a real situation in the United States, where people who are desperate for cures for cancer are paying top dollars to have people do research on their particular forms of cancer to get cures for it. I'm wondering if there's any government policy with respect to that kind of form of research, given the for-profit philosophy of this government.

I guess what I'd really like to focus on today, Mr. Chairman, are about 10 questions that I asked last year which had nothing to do with the nature of the research projects themselves but rather, again, the nature of this fund and how it's being operated. I guess part of the dilemma or situation I feel to be unsatisfying is a sense that there's no real overall strategy of government with respect to health care research funding. I'm not talking about medical research but health care research. I'd like to have someone in government -- maybe the Hyndman commission is going to come up with it, but it would be interesting to hear in the total perspective of things what the strategy is. Certainly a number of different departments have input whether it's Advanced Education or Hospitals and Medical Care or Community and Occupational Health. Some of the money goes for medical research, some of it for nursing research. How are the priorities established for funding in those different areas or other areas of research?

Then we get the dilemma with this particular vote that it's coming out of the Heritage Savings Trust Fund, capital projects division. I asked last year, and I guess it's just a quirk of history, why this vote is out here by itself and not included in the Heritage Savings Trust Fund for medical research. [interjection] Well, Mr. Chairman, if the associate minister . . .

MR. CHAIRMAN: Order. Order please. Perhaps we could have a little order in the Assembly, and the Chair could hear the hon. member.

Edmonton-Centre.

REV. ROBERTS: So indeed, we want to know in the overall scheme of things, in the overall strategy for health care research funding, how it is that this vote stands somewhat alone and somewhat isolated from the rest of the package, why it isn't in fact part of the Heritage Savings Trust Fund for medical research. Now, people I've talked to who avail themselves of funds here quite like it separated out. It's access to some particular funds for their particular research area, being cancer. And you know, good for them. I think that's kind of a gravy train which they feel they have some guaranteed access to. But I think it begs the question, as I asked last year, and I'd like to have it responded to: why is it standing alone? How is it to be integrated into priorities with respect to an overall strategy for health care research funding?

Further, the minister referred to this independent review. I know that there have been some questions about the applied cancer research funds, as to how much of it is done at a kind of incestuous level, that researchers in the province here themselves determine how much goes to their own research projects. It's been deemed by an advisory committee that there's a need for an independent, outside, external peer review. It might be more bureaucratic, but I think it might give it some more fairness, I guess the minister did clarify why. It seems to indicate here in the implementation of the fund as printed that the "Cancer Hospitals Board reviews applied cancer research proposals and recommends projects for funding." I guess that in the final analysis they do, but I think it should be made clear that there's an independent review panel that's even bringing people in from outside of the province who have a lot more say in that and how they really actually operate to make the fund and the research projects go to the best possible proposals.

Then again, Mr. Chairman, last year I thought we saw quite a reduction in this vote, with a sense that it was actually going to be wound down or that it was perhaps going to be rolled into the Heritage Savings Trust Fund for medical research, I thought it was the intention or that something was intimated last year that the fund was being diminished and wound down, I thought that, for instance, this year we might not even see it in the form as in vote 1 here. But here it is, and it's getting the same funding as last year. Is this a signal that it's going to remain at this level in perpetuity, or is it going to increase over time? What is the strategy or the long-term arrangement for the nature and purpose of the fund itself? Is it going to be on its own at this level for the next five years, for instance, or what is the minister projecting?

So, as I said, I still have a lot more questions which I didn't get answered last year, but I really want to focus on the strategy or the long-term purpose for the fund itself. Is it going to be at this level or change? How does it fit into an overall government strategy with respect to health care funding? Then when we get down to it: how is it being evaluated in terms of particular re-

search projects in areas of applied cancer research that need, I would think, some increase in funding, such as AIDS and prevention and pain control. We'll await some answers from the lean and fit Minister of Hospitals and Medical Care.

MR. CHAIRMAN: Hon. Member for Edmonton-Glengarry.

MR. YOUNIE: Thank you, I think it's very kind of the Member for Edmonton-Centre not to read the whole list of 20 questions. However, I would make a request of the minister that for my benefit and that of others he commit himself to going back into last year's estimates on this and checking out what the other questions were that the member so kindly didn't read into the record. If he would give a written response to those for all members, it would certainly be helpful in our research.

I note that Applied Cancer Research also appears in the deemed assets part of this. Now, I can see where, in fact, if it were done right, although I'm highly suspect that this government would probably not do it right, it could be a source of income for the province. So I would like to ask the minister a couple of questions about that. We're doing research; we're financing research. I'm wondering if we do it in a way that makes sure the province maintains control of patent rights and resale potential of cures found so that it can be used in our own province to reduce health care costs, that because we aren't buying it from foreign pharmaceutical companies, in fact we would sell it at whatever the market will bear to foreign pharmaceutical companies to raise cash that way. Or do we contract it out and let friends of the government in the private sector reap the immeasurable rewards of patents that might be available should this research be fruitful, as we would all hope it would be? I think that's a very important question, because if we're going to call this research an asset, then we should be doing everything possible to make sure that the government, which finances the research, reaps any financial rewards that are to be made from it in the future. The potential is certainly there.

I have another question for the minister, and I assume he would be willing to consult with the Minister of the Environment and the Minister of Community and Occupational Health on it. It has to do with research into job-related cancers. Now, I've raised a number of issues in this House about job-related diseases, including cancers caused in the pulp and paper industry potentially by dioxin pollution and all the rest of the petrochemical-related industry that we have in this province, which deals with most of the most carcinogenic substances on the planet. I think we have to be cognizant of the fact that a very large portion of our economy is geared towards and dependent on using and working with the most cancerous chemicals we can put people near. I think, therefore, it's incumbent upon the minister to use what power he has to guide research in this area, to make sure there is research being done on job-related cancers and how we can avoid those diseases in the workplace and cure them at a later point.

Now, we've certainly seen a precedent revealed in the House whereby the minister of culture is willing to give very detailed instructions on how other money is spent. So I think it would be legitimate for this minister, based on that precedent, to be very encouraging and directive in urging that some of the research at least be carried out in job-related cancers and how they could be prevented.

MR. CHAIRMAN: Hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. Just a couple of questions to add to what my colleagues have been asking. Recently some lottery money was put toward, I believe, some kind of machine that I believe was to be used in some kind of cancer research. I wondered if it would end up in this program or aiding this program in any way.

Sort of taking off on a question related to what the Member for Edmonton-Centre was asking: could the minister indicate whether this program is sort of an isolated program or does anybody stop and consider how much it overlaps with the medical research foundation, which was asked already, but also the Community and Occupational Health budget and then just general departmental funds? Is there any body that sort of co-ordinates what research is going on in cancer? Because it looks to me like there's four, maybe even five, potential sources of revenues for cancer research.

I guess to just sort of specify a little bit more clearly also a question asked by the Member for Edmonton-Centre. He mentioned that there had been a drop in the amount of funds for this program. In 1986-87 it was \$4,923,000, if they were all expended. That was the estimated budget at the time. What with the \$2.8 million last year and again this year, that brings the total to some \$34 million over time. I guess, along with the Member for Edmonton-Glenarry, I can't help wondering how one can say in the deemed assets section that there are some \$34 million in assets there. Now, that might be the case if the expenditures were on capital expenditures only; you know, building of buildings and building of lab facilities and that sort of thing. But if some of that money actually went to research -- people actually doing things and being paid salaries over a period of time -- then that really does make the deemed assets accounting of it seem a little bit odd, to say the least.

So I wonder if the minister could answer some of those questions.

MR. CHAIRMAN: Are you ready for the question?

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: Hon. Minister of Hospitals and Medical Care.

MR. M. MOORE: Mr. Chairman, first of all, with respect to the comments of the Member for Edmonton-Centre and the 20 questions that he asked last year, I just now sent over to the hon. member a copy of the Heritage Savings Trust Fund applied cancer research annual report for the year ended March 31, 1987, which was made public several months ago. I don't know whether the hon. member received a copy of it. That report, in terms of the questions about what kinds of research projects and so on are going on, I think, will fully outline it.

As I indicated last year, I'm not able at this time to say exactly what the funds we're voting here are going to be used for in 1988-89. I am only able to indicate the manner in which those decisions are made, and again this is included in the front of the Heritage Savings Trust Fund cancer annual report, where it outlines in some detail the administration of the program, the Cancer Board members, the research committee members, the grants panel, the schedule of cash flow projections and expenditures, the administration, the research projects, and so on. The next report will look very similar to this. In fact, there will be no changes in the sort of administration structure, except that obviously the research projects will be a little bit different.

In terms of the long term, in February of 1986 we announced publicly -- and I thought I restated it last year -- that we have extended the program for a three-year period at \$2.8 million a year to March 31, 1990. So hon. members will see next year another vote for exactly the same amount \$2.8 million for applied cancer research. I should say that it may not be exactly the same amount; it depends upon whether or not they use all the funds that are being asked for here and in past years. It could be more to make up the total amount, which was \$2.8 million each year for three years.

I don't know what else I can offer to the hon. members except what has occurred. We originally established this because we wanted the Alberta Cancer Board to be able to have some funds for applied research. Now, if we relied completely upon the heritage medical research, the larger umbrella group, we didn't think they would get the proper kind of funding that the board needs to do applied research, so we directed this -- in this case, \$2.8 million a year -- into cancer research.

I cannot answer the hon. Member from Edmonton-Centre's question about why we don't do more research into AIDS-related cancer diseases. That is a question that is answered by the grants committee and the people who look at all of the applications that come in and decide what we can best do in Alberta with the research capabilities that we have. I have reviewed those recommendations all the time but decided last year and the year before -- actually, I haven't looked at this year's yet, but I looked at the 1986 recommendations and the 1987 ones, and on both occasions decided that I did not want to second-guess what I call the experts in cancer research. If the hon. Member from Edmonton-Centre wants to do that, perhaps he should go back to medical school or somewhere for a few years, and then he would be better equipped. For my part, I believe that we have some of the finest minds in Canada on this committee. Again, they're outlined in some detail in the annual report.

Mr. Chairman, I don't think there are any questions that are left unanswered if the members take the opportunity to read the report.

MR. CHAIRMAN: Hon. Member for Edmonton-Centre.

REV. ROBERTS: It would appear on that side of the House, when there aren't questions left unanswered, that the minister should turn his hearing aid up or something. There are still some questions. I know the Member for Edmonton-Glenarry raised a very crucial and thorny question with respect to patents, and I'd like to hear from the minister what about the patents for new discoveries? I mean, if one of these researchers finds that much-awaited cure for cancer, then who has ownership over that? Is it a government cure? Is it the researcher's cure? Is it the University of Alberta's or whoever does it? So I think the patent question is one that's really begging . . . [interjections] Stony ground, Mr. Chairman; we don't like to throw good seed on stony ground over there.

Also, you know, I don't want to pretend that the minister or any of us are experts in the field of cancer research. But certainly being the prime funder, it would be interesting to hear not just where the money is going or recommendations that the experts have said they want to have the money going to, but I'd be interested to see what proposals, what research projects didn't get the funding and why. I mean, I've been told by some people who want to do some epidemiological research into AIDS that there's a whole host of proposals that they've made time and time again, perhaps not to this fund but to others, for research

dollars, and they've been denied. They feel that there's some reason in the community or the mind of the so-called experts or so on which keeps them being denied.

I appreciate the report. I have seen the report. I haven't gone over it as thoroughly as I want to or will. But is there a companion to this report that says, "Here are the research proposals that didn't make it, and these are the reasons why they didn't make it"? I think it might be interesting to see some of those proposals and some of those reasons.

I guess the final question again would be, you know, the whole area of medical research and the overall strategy. I'd like to get from government where they want to be going, who's going to be setting the parameters not only for cancer research but for medical technology and other forms of very ethical dilemmas in research. Is the Hyndman commission looking at this, or is the minister's own research and planning division looking at this? How does applied cancer research fit in in terms of some of the really thorny, larger ethical issues with respect to medical research? I think it would be great to hear some report from someone in government about the nature and direction of medical research generally and cancer research in particular.

MR. M. MOORE: It's not my purpose in these estimates debating \$2.8 million for cancer research to get into a debate with the hon. member about overall health care research. There are other places for that in the Assembly; namely, during the course of the estimates of the Department of Hospitals and Medical Care or during the course of the estimates on the Heritage Savings Trust Fund when we're dealing with the global medical research foundation.

Insofar as the hon. Member for Edmonton-Centre wanting to get some assistance with respect to how and why some projects are turned down, I refer him to page 9 of the report, where it says "Grants Panel": Dr. F.F. Snyder, assistant professor of pediatrics/medical biochemistry, University of Calgary; Dr. E.A. Turley, assistant professor, department of pharmacology, University of Calgary; Dr. A.R. Turner, chairman of the grants panel, who's medical oncologist, department of medicine, Cross Cancer Institute; Dr. R. Urtasun, radiation oncologist, Cross Cancer Institute, associate professor, department of radiology, University of Alberta; Dr. H. Van de sande, professor of the division of medical biochemistry, University of Calgary; and finally, Dr. P. Venner, medical oncologist, department of medicine, Cross Cancer Institute, and also an assistant professor of the Faculty of Medicine, University of Alberta.

Now, the problem that the hon. member has is that most of his experience was not in the field of medicine. Neither was mine, and I don't intend to second-guess the grants panel with respect to what applications should be approved and which ones should not be. If the hon. Member for Edmonton-Centre believes that he has that expertise, then perhaps he should have stayed in his former profession instead of becoming a Member of the Legislative Assembly.

MR. CHAIRMAN: Hon. Member for Edmonton-Glengarry.

MR. YOUNIE: Thank you. The minister tries to twist what we're saying: that he should be outlining specific research projects and setting up the protocols and so on. I think I proved in what I said about the effect of political interference in the Pincher Creek health study that I would be one of the first to complain if the minister were doing that kind of thing. What I suggested when I talked about cancer research into job-related

cancers was that the minister provide broad overall guidance and then allow experts in the field to design specific studies that would achieve the goals he set for them. I certainly think there's a big difference between presuming that any member of this House is a medical expert who can completely direct all of the research and the responsibility of the minister to show some leadership and set the broad goals and objectives of such research and then allow the experts to do their job and find the specific research studies to achieve the broad objectives.

I'm recommending to the minister that one of the broad objectives of the applied cancer research should be some research into job-related cancers in a province where much of our industry deals with carcinogenic agents. I think it's very important that we be cognizant of that and include some research into that. I'm wondering if the minister is willing to commit himself to providing some of that leadership and broad direction for this research.

MR. M. MOORE: Mr. Chairman, the problem with the hon. member and also the hon. Member for Edmonton-Centre, who could well use a hearing aid, is that they don't listen to what I've said. At the outset of these estimates, I said that the annual grants were established in 1976-77 with the following objective:

To provide funds for applied cancer research. This can entail the establishment of new or expanded treatment programs and the purchase of advanced technological equipment.

That has not changed. That is still the objective, and those are the broad directions that are given to the Cancer Board and the grants panel as they go about their business of approving certain kinds of projects. They have not approved research projects into what might cause cancer and some of those sorts of things, as the hon. member has suggested, I presume because in their opinion there are better ways to meet the objectives that were outlined by the government more than 10 years ago.

MR. CHAIRMAN: Hon. members, the Chair is constrained by Standing Order 62.

Deputy Government House Leader.

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

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. R. MOORE: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions and reports as follows.

Resolved that from the Alberta Heritage Savings Trust Fund sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1989, for the purpose of making investments in the following projects to be administered by the Department of Agriculture: \$5,000,000 for Farming for the Future, \$25,000,000 for Irrigation Rehabilitation and Expansion.

The Committee of Supply has had under consideration certain other resolutions, reports progress thereon, and requests leave to sit again.

MR. DEPUTY SPEAKER: Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed, if any? Carried.

Committee of Supply and Bills on the Order Paper.

MRS. CRIPPS: Mr. Speaker, it's the intention of the government to sit during the evenings next week. We'll be looking at

[At 12:59 p.m. the House adjourned to Monday at 2:30 p.m.]