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RESPONSES TO QUESTIONS AND ORAL QUESTION PERIOD  
(PRELIMINARY PROCEEDINGS)

FOR

FRIDAY, 23 APRIL 2010



Responses to Questions Taken As Notice

Questions by Members

**Speaker:** The hon. Member from Georgetown-St. Peters.

**Idle Wheels Trailer Park**

**Mr. M. Currie:** Thank you, Madam Speaker.

My first question today is for the Premier. Premier, I received a number of calls from the families of the Idle Wheels Trailer Park here in Charlottetown indicating their local MLA has abandoned them and cut and run and left.

Mr. Premier, I'm just wondering, can you step in and help these families with this serious situation?

**Speaker:** The hon. Premier.

The hon. Minister of Education and Early Childhood Development and Attorney General.

**Mr. D. Currie:** Thank you, Madam Speaker.

For clarification, I am the MLA in the District of Charlottetown-Parkdale, and had worked very closely with the residents of Idle Wheels Trailer Park. Just the jurisdiction and responsibility for the zoning issue with the Idle Wheels Trailer Park was a municipal issue and fell under the responsibility of the City of Charlottetown.

I held individual meetings and I had a public

meeting with the residents to hear their concerns and to look at ways that we could work with the city, but it was a city responsibility and it fell under their responsibility. Also I did have a number of residents in when I was the minister responsible for housing in the province to look at options and possibilities for those residents in respect to the transition.

Thank you, Madam Speaker.

**Speaker:** The hon. Member from Georgetown-St. Peters.

**Mr. M. Currie:** Madam Speaker, this minister's getting nearly as good as the Premier.

The only thing he didn't mention was he didn't blame it on the previous government. He blames it on the municipality. But a question for the minister of education. I believe that there has to be some compassion played here on the part of government. These are 20 families with a serious situation. You can't just take these homes and move them everywhere. There are bylaws in some areas that restrict them from going there. They pay taxes, they're supposed to be part of your One Island Community, and they're voters. So, minister, will you please step up and assist these families with a move?

**Speaker:** The hon. Minister of Education and Early Childhood Development and Attorney General.

**Mr. D. Currie:** Thank you very much, Madam Speaker.

As I indicated to the member from Georgetown, the responsibility with the zoning bylaws falls in the jurisdiction of the City of Charlottetown. Just to clarify for the member from Georgetown, there was a vote at City Hall in the fall in respect to the opportunity for the City of Charlottetown to challenge IRAC on their decision, and the vote was really clear by city council that they were not prepared to take legal action against the developer in respect to his decision to develop the property.

As I indicated in my earlier statement, I made it very clear to the residents that in respect to, as the MLA, I was very supportive to them. I made it very clear that we actually had them into the department, we looked at communicating to them the options that we had as far as to accommodate through housing opportunities, but this is a responsibility that falls into the responsibility of the City of Charlottetown. As the MLA I'm not about to start interfering with the municipalities in this province, particularly in the City of Charlottetown.

Thank you.

**Speaker:** The hon. Member from Georgetown-St. Peters.

**Mr. M. Currie:** Thank you, Madam Speaker.

Maybe then I'll go to another city cabinet minister, the Minister of Environment, Energy and Forestry. Minister, you have a reputation as a caring individual. Would you step in and assist these families?

**Speaker:** The hon. Premier.

**Premier Ghiz:** Thank you very much, Madam Speaker.

The hon. Minister of Education and Early Childhood Development and Attorney General is absolutely correct in this. I met with some of the residents in my office and I was totally honest with them. I said we have no jurisdiction, really, to overrule IRAC here or overrule the City of Charlottetown. I think they asked me if I could help them out legally, and I think we looked into it as a province to see if we had any legal jurisdiction. Unfortunately, we didn't.

We respect our municipalities in this province. I suggest that perhaps the Member from Georgetown-St. Peters should get in touch with one of his - perhaps someone who's running for their leadership, I don't know, Clifford Lee at Charlottetown City Hall, that would be the more appropriate avenue to take.

**Speaker:** The hon. Member from Georgetown-St. Peters.

**Mr. M. Currie:** Madam Speaker, it's very clear that the Premier certainly likes to deflect and not take responsibility.

As the Premier of the province you're supposed to provide leadership and be compassionate.

Three years ago in this House I remember a statement by the minister of energy at one time indicating that it's always the case when you're going up the ladder you forget the people behind you. In this case, I hope

that the minister of energy does not forget those people behind me. They're looking for a champion, they're looking for somebody to find a solution. Minister of energy, will you please step up and be that champion for these families?

**Speaker:** The hon. Minister of Education and Early Childhood Development and Attorney General.

**Mr. D. Currie:** Thank you very much, Madam Speaker.

As I indicated twice since this line of questioning started, I sat down with the residents, I had a public meeting with them, I do know a number of the residents personally, and we certainly did, myself and my staff, everything we could to facilitate discussions with the City of Charlottetown.

The development in question is owned by a gentleman and he has the legal right to develop his property. We worked very closely. As I indicated, I had the residents in to work with them in respect to an opportunity to look at housing opportunities. As an MLA I feel very comfortable that I spent the time to hear their voice, but I was not prepared to interfere with the municipal bylaws in the City of Charlottetown. I worked very closely with the councillor, Councillor Tweel, on the issue. There is right now, I believe, in the City of Charlottetown there is a development clause right now that they're working through, in the final stages, to address any concerns or issues regarding the residents that were residents of Charlottetown-Parkdale.

**Speaker:** The hon. Member from

Georgetown-St. Peters.

**Mr. M. Currie:** A question for the hon. Minister of Education and Early Childhood Development and Attorney General. You had no problem interfering with the Eastern School Board, but you don't want to assist these people.

To the minister of education. I'm sure you're aware, as a Cabinet minister, that you can acquire land. There's all kinds of surplus lands on the outskirts of Charlottetown that you can dispose of to a development corporation who can probably leverage money to put in sewer and water. So, minister, would you look at that as a possible solution and see if you can assist these 20 families? They certainly don't have the means to pick up and move. These are ordinary Islanders and I don't want to see them be left behind.

**Speaker:** The hon. Minister of Education and Early Childhood Development and Attorney General.

**Mr. D. Currie:** Thank you very much, Madam Speaker.

As I indicated, the residents of Idle Wheels Trailer Park were and are constituents and I was very genuine and very compassionate in respect to their challenges. I worked very closely with the councillor in the area and we looked at all possibilities to look at ways. The City of Charlottetown made a decision not to overrule IRAC's decision and challenge them in the courts. I, as an MLA and as a minister, don't have the responsibility nor would I interfere with the processes that IRAC has in place.

We respect the autonomy of IRAC very much. Since coming into government I respect the autonomy of the Eastern School Board, just like we have with all the other boards across the Province of Prince Edward Island.

Thank you, Madam Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Montague-Kilmuir.

**Island products in hospital and manors**

**Mr. Bagnall:** Thank you, Madam Speaker.

My first question will be to the Minister of Agriculture and Deputy Premier. Do you believe that all our Island institutions, our schools, our hospitals or manors, should be using Island products?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, there are a lot of institutions within PEI buying from our local abattoirs and our local system.

Absolutely, certainly, we support buy local program through the Department of Agriculture, and anything that we can produce on Prince Edward Island, consume it on Prince Edward Island would be good for Islanders, Madam Speaker.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you. To the same

minister. Then why is it that our Island institutions are buying products off-Island and not from our Island institutions? Why are they going and not buying them locally?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** We always encourage, Madam Speaker, institutions within local Prince Edward Island to buy local, and I believe most of them are.

We still have to respect national trade. We signed an AIT agreement, or are in the process of signing that, in full discussions. We have to ship our product to Ontario, the rest of Atlantic Canada, and so on, and we have to have some level of trade across Prince Edward Island and Canada, for that matter.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** To the same minister. Last year, Mr. Minister, your government invested 500,000 in a buy local program, and I congratulate you for that. That's a great initiative.

**Some Hon. Members:** Hear, hear!

**Mr. Bagnall:** But by putting it in - can you explain to me this program?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** It was a program developed to encourage people and make people aware that buy local would be great, Madam

Speaker.

Over and above that we have to respect the fact that we ship a lot more product out of Prince Edward Island than we import, so we have to have national trade respected, Madam Speaker.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Mr. Minister - to the same minister, Madam Speaker - can you tell us how do you rate the success of your program?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** We are getting a lot of attention to buy local. It's a matter of convincing Islanders that the products that we have here are very good. I've had good feedback from those people and those groups at the local farmers' market and so on, Madam Speaker.

We think it's successful. However, we have to respect the other side too, as we do, because we are large volume shippers off-Island.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you, Madam Speaker.

It's a question to the same minister. Minister, I'm a little confused. You spend \$500,000 for a program to buy local and then you will not buy local in your own institutions. How do you justify that? How

can you justify to the people that you've set up a program to buy local and then you won't even buy local for your own government institutions? How do you justify that?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, we encourage a lot of our institutions.

There's a lot of history out there with regards to beef and pork, red meat suppliers to institutions. We didn't want to disrupt that with regards to our Atlantic Beef Products. They came to me and said: There are seven abattoirs on Prince Edward Island that are making a living out of supplying product to our correctional facilities, to our hospitals, to other government institutions. We could have taken all that business for the Atlantic Beef Products, but that would put some other Islanders out of business. We didn't want to do that. We want to respect the people that are there that are existing and making a living. Maybe two or three families in each one of those seven organizations. That's good business for PEI.

I suggest Atlantic Beef Products go out and find national markets for their products, and that's exactly what they're doing.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you, Madam Speaker.

You previously stated that you're confident Islanders will buy into the program and, you know, Islanders are.

**Premier Ghiz:** (Indistinct) 100%.

**Mr. Bagnall:** So minister, why aren't you up to the challenge and dealing - set up Island products only for where we can supply them for our institutions? Why aren't you up for the challenge?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, there's a new business just started up at Riverside Drive that is a buy local operation where they buy 56 products from Island farms and they market them to Islanders right there. That's a good piece of business. We support those kinds of things.

What I'm trying to say is we just cannot stop the other part of the business. We cannot 100% say: You have to buy every product that goes on a kitchen table on Prince Edward Island from Prince Edward Island. Because we have to respect international trade.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Minister, they're doing it in other provinces.

**Ms. Dunsford:** They are?

**Mr. Bagnall:** Yes, Nova Scotia is doing it with their institutions and they've set it up. It can be done, Madam Speaker.

Mr. Minister, have you met with the hospitals, the jails, the institutions across the province and asked them if they would

change the way that they contract their business? Because if they go to a monthly thing, Mr. Minister, we would - under a \$50,000 contract, they can buy anything they want from who they want. So this hasn't been done. Why hasn't it been done? Why haven't you met with them?

**Speaker:** The hon. Minister of Health and Wellness.

**Ms. Bertram:** Thank you, Madam Speaker.

I feel compelled to rise as he is speaking of health institutions. I am pleased to say that we have directed our staff to look at Island products across the health department. We are working within the confines of the Atlantic Procurement Agreement. Being a health corporation, Health PEI, we are going to be able to look at the under \$25,000 contracts which should be to the advantage of our Island producers. But at the same time, respecting the Atlantic Procurement Agreement.

The hon. member is correct from Montague. I did my own research, and I think that's probably where he got the information, that Nova Scotia government has a similar policy within their procurement and we are going that way. I'm working with the minister of finance on that within his department.

Madam Speaker, we are working into the future with Island products for our health institutions across Prince Edward Island.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from

Montague-Kilmuir.

**Mr. Bagnall:** Madam Speaker, you know -

**Some Hon. Members:** (Indistinct).

**Speaker:** Order, please!

**Mr. Bagnall:** It's three years they've been in government and it's an issue that they've talked about. The member here from Charlottetown, the environment minister, he was one that spoke up and he said: PEI should buy local. There's no excuse why we're not buying local and it can be done. All we have to do is change the contracts and it can be done. That's his comments in the paper.

Back to the minister of agriculture again, because obviously the previous minister doesn't know what she's talking about.

**Some Hon. Members:** Oh, oh!

**Mr. Bagnall:** So I'll go back to the minister of agriculture again. Will you stand in the House today and tell our Island people - the minister of agriculture - that you will implement this program immediately? Will you do that? To the minister of agriculture.

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

The hon. Minister of Health and Wellness.

**Ms. Bertram:** Thank you, Madam Speaker.

Since the hon. member is referring to me in his question, I will respond. We are working very hard. We have a protein contract within

the department of health that has 96 products within that. ADL is a broker for many of the Island producers as part of that. We are working hard. We are instituting policy within our department, hon. member.

Let me assure this House that there has previously been Island-grown products as part of the procurement already. Again, we're respecting procurement, but we are instituting a policy that will allow for Island products under the 25,000 bracket within the threshold of a corporation.

Thank you, Madam Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Montague-Kilmuir.

**Some Hon. Members:** (Indistinct).

**Speaker:** Order, please!

**Mr. Bagnall:** Thank you, Madam Speaker.

My question and it'll be - obviously, if we have to wait for that minister to get it done, we'll probably have another six years before it gets done, because she keeps working at it.

But anyway, to my next question - means that nobody's doing anything on this issue. I'll ask another question to the minister of agriculture.

#### **Diesel exemption for farmers**

To the minister of agriculture. Without tax exemption on diesel fuel for Island farmers

using it in their trucks and their farm vehicles, they are at a major disadvantage. Now can you tell me, minister, from the agricultural industry, have you worked forward and will we see this in the budget that the farmers will get some diesel exemption fuel for their farm trucks?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, that issue has been discussed within government.

It's got the attention of agriculture and us as a governing body, for sure. The other issue surrounding that is the roadbuilders association which are currently required to pay taxes on their fuel that they use in their excavators, bulldozers and so on, and they're not driven on the highways.

Normally the tax that's required is there to repair and build and build new highways on Prince Edward Island. Probably, in our estimation, approximately 50% of the diesel fuel is actually consumed on the farm and off-road in the field, if you like, and the other 50% then would be used on the highway. So it's very hard to determine that exact number and what's the real decision, I guess, as it comes down to making our farmers and creating a level playing field for all our farm trade.

Absolutely, without question, we want to level the playing field in all tax categories and energy categories and so on, Madam Speaker, and we'll be looking at that as we go forward as a government.

Thank you.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you, Madam Speaker.

To the minister again. Minister, obviously you know the issue. Obviously you've been lobbied on the issue. Can you tell us when this is going to take place, or is it going to take place?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, we're aware of the situation.

We've been asked to investigate it and we have done that. We do not have a decision yet and I can't advise the hon. Member from Montague-Kilmuir when either. But it is on the radar, I can say that. It's an interesting piece of business to create competition or make our producers competitive on the national scene and we'll be looking at that as the months go forward.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you, Madam Speaker.

This has been an issue for the farmers and it's been an issue for the last three years. Definitely it's been an issue. Minister, you've had three years to look at it now. Tell me -

**An Hon. Member:** You had 10 years, (Indistinct) 10 years to look at it.

**Mr. Bagnall:** - is it going to be another three years before we expect to see you do anything on this or can we expect to see some immediate results? Will we see it in this year's budget where you've come through for the farmers?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, as I've said before, it is on the radar, we have reviewed it, we know the issue.

When and if those two situations haven't been totally determined yet, but I do see a need. I will agree with that. It's been out there off and on for 10 years. The rural PEI, the farm trade, are asking for that primarily because they don't feel they should pay tax on fuel to drive their truck around the field. It's not on the highway, it's not using up the highway. That's their argument and it's a good argument, Madam Speaker.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** That's a pretty good answer and a very long one but you didn't answer the question. When can we expect to see it? Is it going to be in the budget this year? Are you going to stand up for farmers today or are you going to wait till they all go out of business and then stand up for them? Can you give us an answer? Will you stand up and say that you will put this into legislation and make the changes that need to be done?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, I'll advise the hon. member and the House, we stand up for farmers all the time.

We work very hard to find profitability in agriculture. This issue is an issue that's near and dear to their hearts and it is under review, and that's where it is at the moment, Madam Speaker.

**Speaker:** The hon. Member from Summerside-St. Eleanors.

### **Update on relocation of education department**

**Mr. Greenan:** My question is for the minister of education and early childhood development.

Our government's decision to support the relocation of the department of education and early childhood development to downtown Summerside in the historic Holman Building began last fall with 26 employees working out of that location. Could the minister please update the House on the progress of the relocation?

**Speaker:** The hon. Minister of Education and Early Childhood Development and Attorney General.

**Mr. D. Currie:** Thank you very much, Madam Speaker.

Three years ago when we took government, our Premier had a vision for this province. His vision was One Island Community with One Island Future. At that point in time we made a decision to move two government departments out of the City of

Charlottetown. One to Montague - that's aquaculture and fisheries and rural development - the second department was going to Summerside, which is the department of education

Right now the move is on schedule. We are excited. A number of staff will be heading up there on May 10<sup>th</sup> for a site tour. Right now we've got approximately probably 30 staff that are working there. The City of Summerside, the mayor and the council and the community, are excited about embracing the department. In total, officially as of the first part of July, we'll have 110 staff working out of the Holman Building.

So an exciting time for the town of Summerside.

Thank you, Madam Speaker.

**Speaker:** The hon. Member from Summerside-St. Eleanors.

**Mr. Greenan:** Thank you, Mr. Minister.

Are there any divisions of your department that won't be relocating to Summerside?

**Speaker:** The hon. Minister of Education and Early Childhood Development and Attorney General.

**Mr. D. Currie:** The only areas of the department that will be staying in Charlottetown will be departments that will be providing direct services in the Charlottetown area and every service provided east of Charlottetown to Souris. Those will be the departments that will be staying in Charlottetown and we felt that

that made sense because the service to reach children in this province, in Charlottetown and east, it'd be more logical to keep that service in the Charlottetown office.

Thank you.

**Speaker:** The hon. Member from Alberton-Roseville.

### **Update on O'Leary Road and Highway 2 roundabout**

**Mr. Murphy:** Thank you, Madam Speaker.

My question is to the minister of Transportation and Infrastructure Renewal. After much lobbying and several questions here in the House on the intersection of O'Leary Road and Highway 2, the government had announced earlier on in the year that they were going to build a roundabout at this intersection that was the sight of many fatalities.

I'm just wondering if the minister could give us a time frame around when this project's going to be started?

**Speaker:** The hon. Minister of Transportation and Infrastructure Renewal.

**Mr. MacKinley:** It's no wonder the former minister of transportation had to leave, the Member from Georgetown-St. Peters. The amount of work we're doing he's probably embarrassed even to hear -

**Speaker:** Minister -

**Mr. MacKinley:** - that we're a government -

**Speaker:** Minister -

**Mr. MacKinley:** - that's putting a roundabout -

**Speaker:** Hon. minister, remember, we're not allowed to talk about people who are in and out of the House. Sometimes they have other business that takes -

**Mr. MacKinley:** Oh, he left, all right.

**Speaker:** - them away from the House.

**Mr. MacKinley:** He did leave.

The thing with the roundabout is we should be done the design work in the next probably two to three weeks. We'll have the designs done.

**Speaker:** The hon. Member from Alberton-Roseville.

**Mr. Murphy:** Thank you, Madam Speaker.

So two to three weeks the tender's going to be going out and then could you tell us exactly when the project itself will begin?

**Speaker:** The hon. Minister of Transportation and Infrastructure Renewal.

**Mr. MacKinley:** I'm glad that the Member from Georgetown-St. Peters will be able to listen to this and find out that we don't mess up intersections the way he did.

The question goes on here is - time frame? Well, you just asked me here last week. First thing we got to do is get a design. Then we got to go up. You asked for a public

meeting. We'll have to have a public meeting, let the public look at it. Maybe the public won't allow it so then we'll have to come back and do it all over again. I don't know. It depends on if the public's satisfied.

**Speaker:** The hon. Member from Montague-Kilmuir.

### **Hog transportation costs**

**Mr. Bagnall:** Thank you, Madam Speaker.

A question to the minister of agriculture. Farmers are worried that you aren't standing up for them, minister. They seem to think that there are only two industries in the agriculture sector. Minister, you've shut down the hog industry. You crippled the hog industry, I should say, not shut it down.

Minister, your department promised to offset costs to producers when you shut down NOFG on their plant. Can you tell the House today how much your government is offering producers for transportation costs for out-of-province for their hogs?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, we certainly are very respectful of the farming community and we realize it's the backbone of the Island economy.

It has been facing challenges across Canada based on retail pricing of a lot of farm products, and I speak of potatoes and beef and pork as well. We have put enormous amounts of money into all those sectors to try to sustain them over these low prices that

they are receiving. My budget's approximately \$30 million through my department. About 16 million of that goes directly to producers.

On top of that, for 2008, agriculture insurance corporation cheques - \$20 million out to Island producers in all categories. In 2009 year, another \$20 million out to Island producers in all categories. We have put a lot of taxpayers' dollars into the system to support agriculture, which we believe strongly in agriculture as an economic driver for PEI, Madam Speaker.

Thank you.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you. I guess the minister's not hearing very well so I'll repeat the question. How many dollars did you put into the hog industry for out-of-Island travel for their hogs to go out-of-province? Transportation costs.

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Four hundred thousand, Madam Speaker.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you.

Mr. Minister, we realize that the plant in Berwick is closing down. Where are our Island producers going to be sending their hogs now?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, certainly there is a market for the hogs that are produced on PEI.

Currently there's about 100,000 hogs produced here yet. There's two other plants in Nova Scotia that want to ramp up a bit. One of them is Tony's, and the other one, the name escapes me at the moment.

Then, approximately about 40% of that 100,000 is currently and has always gone to duBreton in Quebec. Over and above that, Maple Leaf own a plant in Burlington, Ontario and they have guaranteed us that they will take any surplus, if there is. We don't believe there's any surplus. The two plants in Nova Scotia and the one in Quebec will be able to handle and process all the hogs that are produced on PEI.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you, Madam Speaker.

That's good to hear. So minister, obviously our hog producers are going to be sending hogs at a longer distance. Have you increased the budget for them this year?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, no, we haven't.

I don't believe we used - I stand to be corrected - but I don't believe we've used all

of the monies last year. Now we might be fairly close, but that business, with regards to Quebec, that's been a business that's been ongoing for many years. Some producers choose to sell to duBreton. That business certainly should continue, Madam Speaker.

**Speaker:** The hon. Member from Montague-Kilmuir.

### **Regional red meat strategy**

**Mr. Bagnall:** Thank you.

Minister, last year in the House you tabled a motion on the regional red meat industry strategy in the region. Can you give us an update on how that's going?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, last fall I had the opportunity to talk with Minister Ritz in Ottawa and strongly suggested to him that we develop a made-in-Atlantic-Canada red meat strategy.

The federal government came out with about \$500,000 for help for sectors of agriculture that were struggling. The AgriFlex, I believe it is, program. We didn't want a made-in-PEI approach. We feel we're stronger if we had New Brunswick and Nova Scotia onside. I argued that point with him and he said: Yes, I think you're right, absolutely. So he basically supported that concept.

I came back to Atlantic Canada and had conversation with our neighbouring provinces, New Brunswick and Nova Scotia, to work on this. We've had a couple of

meetings. It is going rather slow. What I suggested then, to our PEI hog producers is, let's develop our strategy here within PEI. We do have a few dollars left over from a program and they agreed: let's do a strategy from within our own boundaries for now, Madam Speaker.

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you, Madam Speaker.

It's obvious, Mr. Minister, there's a pattern. You seem to always be talking about something you're going to do, but nothing's getting done. When can we expect to see some results on our red meat strategy? What have you done here in the province on a strategy?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, we've taken \$50,000 of taxpayers' money to put it into the study about a month ago.

That process has been started. I suggest it'll be three months before we get that document back, but that should clearly state and lay out a plan for the future of the hog industry in Prince Edward Island.

**Speaker:** The hon. Member from Montague-Kilmuir.

### **Plans to help beef industry**

**Mr. Bagnall:** Thank you, Madam Speaker.

I'll move onto the next question. Mr.

Minister, the farmers in the beef industry right now are in dire straits. They're losing about 50 cents a pound, minister. Are you going to shut down the beef industry like you shut down the hog industry, or what plan do you have in place to help the beef producers in this province?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, certainly in the red meat sector, with reference to beef, there have been some challenging situations across Canada with BSE and so on.

We made a commitment as a government two years ago to try to solve the economic issues surrounding the beef plant. As a result we were able to convince New Brunswick and Nova Scotia to do a buy-in on the beef plant. Each province, including us, put in 2 million. We put in an additional 2 million after that, plus ACOA put in an additional \$6 million in loans and so on for the beef plant.

I'm proud to say the beef plant is doing significantly better than it was on election day. It was not in good shape three years ago, I can tell you that. We're making some major gains. This week we're putting in what we call a cut and grind line, which is going to diversify the plant, which should help its profitability down the road. I'll be one excited minister when that plant breaks even. I think it's going to happen soon.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Montague-Kilmuir.

**Mr. Bagnall:** Thank you, Madam Speaker.

I congratulate the minister. If you've got that beef plant breaking even, I will congratulate you and shake your hand and pat you on the back and whole works. I'll believe it when I see it though, minister.

It's great for the beef plant. We've lost about 15,000 animals. We're losing animals on a continuous basis. Minister, what are you going to do to protect the beef industry? Or there'll be no cows to support your beef plant. So minister, what plan have you got in place to help the beef industry here in this province? When are you going to come to the plate and offer them some money and help them out here? So they'll get through this downturn.

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, we do have some incentives within government to have better genetics within beef, have better breeding programs surrounding the production of beef.

We are selling beef on a world market. Break-even is about \$1.67 - I believe - per pound. The market was down as low as \$1.28. Now the numbers, as of last week, were about \$1.46. It is moving upward. It's going in the right direction.

Surrounding this whole issue is the fact that we need our producers to be as competitive as possible. We have to compete with Alberta. We have to compete with Saskatchewan. It's a world price we sell our products on. We're there to try to increase

the competitiveness of Islanders and Island beef . We're there on the production side as readily as possible. Hopefully the trends will turn around, Madam Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Montague-Kilmuir, final question.

**Mr. Bagnall:** Thank you. The minister didn't hear again, because I asked him what he was doing to put some money in the beef producers pockets to help them survive this downturn.

They are losing money. What are you doing? Do you have a program in for a subsidy for so much an animal? For a calf - for purchasing infant calves, or yearlings? Do you have a program in there to help the beef producers? Is there any money that they're going to put into their hands?

**Speaker:** The hon. Minister of Agriculture and Deputy Premier.

**Mr. Webster:** Madam Speaker, we certainly have funded the beef industry in the past, for sure.

We will continue to assist them in any way we can fiscally, with government's fiscal situation. The trend is upward now on the price of beef in Canada. BSE hit us a number of years ago and it was horrible timing and it hurt all Canadian beef producers. It makes it tough to turn profits out of those national situations.

But we are here as a government to sustain the beef industry. We believe the beef

industry has bottomed out on its downsizing. We think we'll stay where we are. That's at least - that's the beef producers advising me now. We've bottomed out and our production should stay consistent now.

We need beef for the beef plant. A beef plant that's profitable or breaking even is no good without beef. Producing beef without a beef plant is no good either. We have to bring the two of them along together, Madam Speaker.

**Some Hon. Members:** Hear, hear!

[End of Question Period]