The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Clerk: -- According to order the following petitions have been reviewed, and pursuant to rule 11(7) they are hereby read and received.

By Ms. Lorje, of the Saskatoon Foundation of the City of Saskatoon, in the province, praying for an Act respecting the Saskatoon Foundation;

and by Mr. Boyd, of the Full Gospel Bible Institute of the town of Eston, in the province, praying for an Act to amend the Act of incorporation.

And according to order, another petition has been reviewed regarding the RM of Reno, to replace the Cypress Lake road signs. This petition has been reviewed and pursuant to rule 11(6) and (7) is found to be irregular and cannot be read and received.

INTRODUCTION OF GUESTS

Mr. Whitmore: -- Mr. Speaker. Through you, and to other members of this Assembly, Mr. Speaker, I'd like to introduce in your gallery today, a friend and gentleman from my constituency, Mr. Alvin Hewitt.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Health Board Elections

Mr. Boyd: -- Mr. Speaker, my question is to the Minister of Health. Madam Minister, in today's paper we see confirmation of the role politics has played in the appointment of district health boards throughout Saskatchewan. It's now clear that this process has been tainted by political patronage and if these boards are to have the accountability and credibility that they need to work effectively, elections must be held.

Mr. Minister, why won't you simply hold the elections this fall in conjunction with municipal elections and give the health boards the legitimacy the residents of Saskatchewan are asking for and demanding?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: -- Mr. Speaker, in terms of the current make-up of those Saskatchewan people who are serving on the district health boards, the member will know that they were all appointed from nominations gathered within their districts. He will know that they represent a balance of age, gender, and, if I may say, political background -- a good cross-section of the community, Mr. Speaker, each of them committed to working to the best interests of health care in their district.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Mr. Minister, you and I can sit here and argue all day about who is qualified and who isn't qualified to sit on these boards. The point is, it's a matter of personal opinion, and that's exactly why we need to have elections. If the local people think the current board members are doing a good job, they'll be re-elected; if they do not think they're doing a good job, they won't be elected. That's the way it should be, Mr. Minister.

SUMA (Saskatchewan Urban Municipalities Association) has passed a resolution calling for the elections to be held immediately. SARM (Saskatchewan Association of Rural Municipalities) has two resolutions coming to its convention next week taking the same position. Mr. Minister, why don't you simply ask the people of Saskatchewan what they would like to do and hold the elections as soon as possible and lend legitimacy to these elections?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: -- Mr. Minister, as the member and all members will know, in the history of health care delivery in this province there has never been an occasion where health care boards have been elected. Mr. Speaker, I am proud to be part of a government that has brought forward this innovation in the delivery of health care services, Mr. Speaker. It is clear from the legislation that there will be elected health boards in our province, Mr. Speaker.

Now the question of timing, as the member well knows, is not a simple question. There are a variety of issues that must be considered. As the member will also know, the Saskatchewan Association of Health Organizations has passed a unanimous motion seeking delay in the electoral process. Mr. Speaker, we are in the process of working through many of the issues that are now before us.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Mr. Minister, you know full well that the people at SAHO (Saskatchewan Association of Health Organizations) are asking for it all right. And they are all made up of political appointees and they are made up of people that were set out on those boards by yourself and your department.

One of the reasons that you suggest for the government's closure of 52 hospitals was to save money. It would seem to me that the most cost-effective time to hold these elections would be this fall at the same time as the municipal elections. That is exactly why municipalities want to see elections held this fall.

But the minister is saying these elections will be some

time later in the spring perhaps, or even later, so residents will have to go through the whole election process twice, and costs involved with that twice will be mounted.

Mr. Minister, if you really want to save money, if you really want to ensure the maximum amount of money directed towards the provision of health care instead of administrative costs, why don't you go with the most cost-effective option and hold the elections this fall?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: -- Mr. Speaker, one of the considerations in the health board elections will be cost. Another very important consideration in health board elections will be adequate representation within the districts. Mr. Speaker, to ensure that adequate representation of communities within the districts, we have set out by legislation that the districts shall be divided into wards to provide for that appropriate representation of communities within a district.

The ward establishment, Mr. Speaker, is not an easy matter. It cannot be quickly done. We don't want to do it wrong; we want to do it right the first time, Mr. Speaker. That's why we're working on all the options right now towards the election of health boards.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Mr. Minister, it didn't concern your government for wards when it came out to setting the boundaries on the commission for MLAs (Member of the Legislative Assembly). I don't see why it's any concern to you now, Mr. Minister.

Last year when we asked for the extension of the August 17 deadline for health district formation, you said no. When we asked for an extension to the October 1 deadline for the closure of 52 hospitals, you said no. But now when your hand-picked boards come and ask you to delay the operation for a little while, or a more lengthy time, you are more than happy to oblige them, Mr. Minister.

The extensions were asked for because of the concern of the people of Saskatchewan at that time. The extension you are granting is over concern for the political health of the NDP (New Democratic Party).

Mr. Minister, isn't that what your wellness program is really about -- protecting the political wellness of the NDP rather than the real wellness of the Saskatchewan people?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: -- Mr. Speaker, I think I understand why the member opposite and members of his caucus would assume that anyone appointed to a position in Saskatchewan is political, because we saw 10 years of that kind of appointment, Mr. Speaker.

Mr. Speaker, in the appointment of the health boards, again I say to the member, these appointments were made from nominations which came from the districts, Mr. Speaker, nominations which reflect age, gender and, I may say, all political backgrounds.

Now, Mr. Speaker, I find it rather peculiar that the member comes into the House today, accusing all of those who sit on health boards in Saskatchewan as being political and political appointments, and yet I read in the **Leader-Post** a quote from this very same member, Mr. Speaker, which he says, quote:

> To make the general sweeping observation (that health boards are controlled by NDP partisans) is even a bit of a stretch for me . . .

Well he continues to stretch today here, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Mr. Minister, in today's paper we see how far your government is prepared to go to institute your political wellness plan. We see hospital administrators, the people who are responsible for delivering quality health care to the Saskatchewan people, afraid to speak up against your changes because they're afraid of your government. We see NDP MLAs threatening local newspaper owners and credit union managers, telling them to come onside or risk the consequences.

Mr. Minister, if all is well with your wellness plan, why do you and your NDP MLAs have to bully hospital administrators and local residents into supporting these changes? Isn't this indicative of the way the NDP government runs, by appointing your supporters to political appointments and punishing your detractors with threats and coercion?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: -- Mr. Speaker, the member persists in the notion that those men and women of Saskatchewan who are today serving on health boards and serving freely and willingly to meet the health care needs of their district, are somehow political partisans. Mr. Speaker, that is simply not true, Mr. Speaker. The member, in the press, outside this House, even admits as much himself. Now in this House he seems to take a different tack.

What I think the people of Saskatchewan would appreciate is if members opposite would simply begin getting with the program and starting to work as Saskatchewan people are in the renewal of our health care system.

Some Hon. Members: Hear, hear!

New Firearms Legislation

Mr. D'Autremont: -- Thank you, Mr. Speaker. My question is to the Minister of Justice, and it has to do with an issue that I raised the other day on behalf of

one of my constituents.

Mr. Minister, on April 1 new federal firearms legislation will be coming into effect, but to a large extent it will be the province -- specifically the chief provincial firearms officer -- who will have the task of enforcing this new legislation.

Mr. Minister, last Thursday you admitted that the new FAC (firearms acquisition certificate) training program is not in place. This delay is going to have a significant negative impact on Saskatchewan gun dealers and the Saskatchewan tourism industry. What are you waiting for? Why are you waiting until the last minute to get this program into place?

Some Hon. Members: Hear, hear!

Hon. Mr. Mitchell: -- Mr. Speaker, I thank the member for that question. I would remind him that with respect to firearm acquisition applications that are received up to and including March 31 of this year, they will be dealt with under the old regime. They will be dealt with under the old training program and the old examination program. And so we will deal with those applications, and we will deal with them in a timely way so that we'll try and deal with them all by April 1.

With respect to the testing, we're very close to a result. I believe we will be successful in going with the same test we have had up till now with a small additional component made necessary by the federal law, which has to do with knowledge of the federal law. We don't anticipate that to be any major element or any significant change from the way in which we've tested in the past.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Well, Mr. Minister, I'm sure that there is a number of gun owners and potential gun owners around this province who will be pleased to hear that you will have the FACs all done by April 1 because I'm told that this is already running a six-month backlog. I'm glad you talked about the knowledge portion of the test because the province is going to be enforcing a number of new firearms regulations.

For example, firearms will not be allowed to have more than a five-shot magazine. This is going to make a number of hunting rifles in Saskatchewan illegal. These are existing firearms that hunters have already been using for many years.

Mr. Minister, what steps are you taking to educate gun owners about these new regulations? Or can we expect to see hundreds of Saskatchewan hunters arrested next fall for carrying the same rifle they've been using for the last 10 or 20 years?

Some Hon. Members: Hear, hear!

Hon. Mr. Mitchell: -- Well of course, Mr. Speaker, as the member well knows, the law in question is a federal law passed by the previous Conservative government. And we are left with the task of trying to adjust our system of doing what we have to do in the context of that federal law. We don't make the rules; we just simply have to administer the program. And we're doing so in a way which is as considerate of Saskatchewan people, Saskatchewan hunters, as we possibly can.

We're trying to be as generous as we can and we're trying to implement the program in the least painful way possible. And I think, Mr. Speaker, that the member knows that very well.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. The law is indeed a federal law but it's interpreted by the provincial chief firearms officer. And these new regulations, Mr. Minister, also stand to have a terrible effect on Saskatchewan gun dealers and the Saskatchewan tourism industry. Virtually every area of this province will be affected.

On Friday there's going to be a public rally on this issue in Preeceville, one of the areas whose economy depends a great deal on hunting in Saskatchewan. Mr. Minister, that's your home area. You know how much the service stations, the restaurants, the sporting goods shops, and the hotels depend on hunters every fall.

Mr. Minister, will you be attending this meeting on Friday, and will you be able to give people at that meeting some definitive answers on how the province plans to implement these new federal regulations?

Some Hon. Members: Hear, hear!

Hon. Mr. Mitchell: -- I want to say to the member, Mr. Speaker, that we are attempting to administer or to implement that law in Saskatchewan in the least painful way possible. And wherever we have discretion as a provincial government, we will be exercising that discretion on the side of Saskatchewan people, Saskatchewan hunters, and indeed some of the people that you mentioned in your question.

I will not be personally present in Preeceville on Friday night but I will be represented by my deputy minister, Brent Cotter, who plans to make a presentation to the meeting. And he has been involved personally in the negotiation of both the testing and in administering the firearm acquisition certificates, so that he'll be able to deal with the questions of the people from Preeceville and other parts of the province that may have questions.

Some Hon. Members: Hear, hear!

Provincial Judges' Salaries

Ms. Haverstock: -- Thank you, Mr. Speaker. My question is to the same minister. Mr. Minister, on July 16, 1993, your government empowered an independent commission to assess the current pay of provincial judges and to make binding

recommendations as to whether the salaries of those judges should be increased.

Mr. Minister, given the fact that your own legislation makes the results of the independent commission on judges' salaries binding, are we to assume that you were prepared to implement the recommendations?

Hon. Mr. Mitchell: -- I believe the member will know, Mr. Speaker, that the matter has yet to be considered and decided upon by the government. Consequently we have made no decision and I have certainly no announcements to make to the House today.

If she has a follow-up question, I'd be interested in knowing what her position is on this question.

Some Hon. Members: Hear, hear!

Ms. Haverstock: -- Thank you, Mr. Speaker. What the people of Saskatchewan and this House are most interested in is the government's position, Mr. Minister.

Your government has become famous -- or perhaps a better word would be infamous -- for repealing contracts and retroactively changing legislation. You changed the contracts of civil servants, taking away their legal recourse. You changed GRIP (gross revenue insurance program) and took away the rights of farmers to sue the government. You passed legislation that gives you the power to retroactively change the upgrader deal.

Mr. Minister, what are the government's plans? Do you have plans to do the same with this?

Hon. Mr. Mitchell: -- I repeat, Mr. Speaker, that the government's plans have not yet been determined and so I'm not in a position to announce them during this question period, or elsewhere, until the government has made such a decision.

I take it by the member's question, however, that she personally favours implementation of the award, which would result in a retroactive increase for judges in the order of 20 per cent. Considering her position with respect to her own salary increase that ought not to be a surprising position, but I would like to hear her say just what is her position, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Haverstock: -- Mr. Minister, I did not order this commission, you did. And I think I understand the values of Saskatchewan people where handshakes mean something, people's words mean something, and contracts are supposed to mean something, and legislation is supposed to mean something.

Mr. Minister, your majority government has enormous power and with that power comes responsibility. Your hesitation to implement recommendations leaves the judges who agreed to this process out on a limb. It leaves the three individuals who are involved as part of this independent commission out on a limb.

If your government, after what I assume was careful deliberation, used its power to pass the responsibility of reviewing judges' salaries on to an independent commission; if your government decided to make the results of that commission's review binding; what explanation can you give now for not having reached any conclusion about whether or not you will implement their recommendations and what implications does this have for the work of any future commissions?

Hon. Mr. Mitchell: -- I assume the member, in preparing the line of questioning that she's followed today to the effect that the judges' awards should be implemented and they should get an immediate 20 per cent increase has also involved a review of the Act in question, and the member will know from her review of the Act that the government is still within the time limit set out in the Act for the making of this kind of decision. We don't have to announce a decision yet. We're giving careful consideration to the matter and we will announce a position in due course.

Some Hon. Members: Hear, hear!

Ms. Haverstock: -- I shall try this once again, Mr. Minister. You felt that there was room for those salaries to be increased or you would not have agreed to review them, Mr. Minister, nor would your Premier have agreed to review them. What you did, Mr. Minister, was to enact legislation which would make the recommendations of the independent commission binding upon this Assembly -- binding, Mr. Minister -- and that means no choice, legal, moral, or ethical, but to implement the decision of the commission which your own government struck. Mr. Minister, this is a much larger issue than salaries for judges. It is about the credibility and the integrity of your government and the value of legislation passed in this Assembly.

Mr. Minister, if you are not prepared to live with the results of the commission, why on earth would you enact legislation making their recommendations binding?

Hon. Mr. Mitchell: -- Mr. Speaker, I don't know how many times the member wants to hear my answer. She must really enjoy it because she keeps coming back requiring the same one.

I am not in a position to announce the government's decision on it yet because the government has not yet made a decision on it yet, nor does it have to make a decision by this point in time under the statute. It is still well within the time limits and the member must know that. Now if the member is petitioning, as she obviously is, that judges should get a 20 per cent pay increase, retroactive to 1993, that's fine; we'll take that into account in making our final decision.

Some Hon. Members: Hear, hear!

Review of Utility Rates

Mr. Toth: -- Mr. Speaker, my question is to the Premier, and I think over the last few days he's probably waiting for one to come his way already.

Mr. Premier, two weeks ago the opposition introduced a Bill which when passed will allow for the creation of a legislative utilities review committee. Mr. Premier, I believe it was your party that indicated there will be no new taxes, and every one of us are aware of the fact that people are tired of tax increases. The Finance minister told us there were no new tax increases in this budget and yet, Mr. Speaker, what we have seen over the past while is a continuous barrage of utility rate increases which I would say Saskatchewan taxpayers are saying, that's an indirect form of taxation.

Mr. Premier, SUMA has called for a utility review mechanism; SARM has a resolution going to their convention calling for a utility review mechanism; the people have asked for a utility review mechanism. Mr. Premier, will you give serious consideration to this legislation and work with us to ensure that such a committee is created?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: -- Thank you, Mr. Speaker. I think in helping the government come to a conclusion on this issue, it might be helpful if the hon. member from the official opposition would tell us why it is that when he was a member of the former administration they decided to do away with the Public Utilities Review Commission. Was it because, as the member from Rosthern indicated on budget day, that the Crown corporations had been put into such good shape by the former administration that they didn't need a PURC (Public Utilities Review Commission)? Was that the rationale? Was the rationale because you turned out to discover that it was multimillion dollar cost to the taxpayers which did not arm the consumers with the equivalent amount of dollars and expertise to be able to match the rates that the Crowns articulated; was that the reason, or was it both of them?

Mr. Speaker, I think that we would be all benefiting if the member opposite, who just a few years ago when he was part of this decision, would tell us why it is that they did away with it and why it is that today he now seeks to have such a commission revisited. Especially in light of the fact that Saskatchewan has the lowest basket of utility rates of any province in Canada.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, over the past few months, people have been telling me and my colleagues that there needs to be some control and accountability over utility rate increases. On the one hand, people have asked for an agency and body to regulate public utility rate increases but, on the other hand, they recognize the costs associated with creating such a bureaucracy.

Mr. Speaker, we believe that we have arrived at a suitable compromise. This committee would be made up of members of this Assembly who have been elected to represent the people who have voted for them and are already paid to take care of Saskatchewan residents' best interests.

Mr. Premier, why won't you support us in the concept of forming such a committee to review utility rate increases?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: -- Well, Mr. Speaker, again I thank the hon. member for the question. But I'm interested about the continuing -- I underline this word, continuing -- contradictions of the official opposition, the PC (Progressive Conservative) Party. First their contradiction in part was that we should have a Public Utilities Review Commission, but now we shouldn't. That's a fundamental contradiction, and now they're contradicting themselves, saying yes.

Now his specific question is that we have yet another committee of this legislature established. His argument is that the public is fed up with building up extra costs of government. But in contradiction to that position, he says, but they're prepared to tolerate yet another committee of this legislature.

Well we've got a Crown Corporations Committee. We have a standing committee of this Assembly which is called the Crown Corporations, at which the hon. members opposite laugh when I suggest to them that what they should do is earn their pay, and attend those meetings, and do their job there. That's what we need.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, I appreciate where the Premier's coming from. But unfortunately I must remind the Premier that the Crown Corporations Committee has the ability and the responsibility of reviewing the Crown corporations; however it's two years after the fact, two years in most cases after these cases have been brought in place.

In fact, Mr. Premier, what did your party do prior to the 1991 election? What was your party's stand? I'd like to quote . . . I quote your democratic reform package:

> . . . all party select committees of the Assembly should be used frequently to inquire into substantive public issues and government programs.

Mr. Premier, today is your opportunity to demonstrate your commitment to expand the role of private members. Will you agree that a legislative utilities review committee would be a useful and cost-effective way to regulate utility rate increases and expand the role of private members?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: -- Well, Mr. Speaker, I must say to the hon. members opposite that I am indeed very proud of the spate of reforms which this government has undertaken to improve the electoral capacity and accountability . . .

An Hon. Member: -- Name one.

Hon. Mr. Romanow: -- Name one -- the hon. member says name one. I could name you several but I'll name you one for sure. Perhaps I don't want to dwell on this but the six-month by-election rule which, as painful as it was for me, was very painful for you. We have many of those kinds of reforms which have been implemented.

But there is nothing preventing the members of the Crown Corporations Committee doing their job. There's nothing preventing even the Conservatives coming and asking about these questions, when the officials of the Crown Corporations are there, in detail. Nothing at all.

When they talk about two, three years behind time, the member is stuck in a time warp. That is in the good old bad days when you were in office. That's not the case nowadays. The case nowadays is to reform the Crown Corporations Committee if any reform is to be required, and to do the job there. It is not to set up yet another bureaucracy and another committee of this legislature.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 18 -- An Act to amend The Meewasin Valley Authority Act

Hon. Mr. Mitchell: -- Mr. Speaker, I move that a Bill to amend The Meewasin Valley Authority Act be now introduced and read a first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Bill No. 19 -- An Act to amend The Wascana Centre Act

Hon. Mr. Lingenfelter: -- Mr. Speaker, I move that a Bill to amend The Wascana Centre Act be now introduced and read a first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Bill No. 20 -- An Act to amend The Urban Municipality Act, 1984

Hon. Ms. Carson: -- Mr. Speaker, I move that the Bill to amend The Urban Municipality Act be now introduced and read a first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Bill No. 21 -- An Act to amend The Rural Municipality Act, 1989

Hon. Ms. Carson: -- Mr. Speaker, I move that a Bill to amend The Rural Municipality Act be now introduced and read a first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Ms. Haverstock: -- Thank you, Mr. Speaker. By leave, I would like to change the representation of the third party on the legislative committee.

Leave granted.

(1430)

MOTIONS

Name Substitution on Committee

Ms. Haverstock: -- Accordingly, I move, seconded by the member of Regina North West:

> That by leave of the Assembly, the name of Mr. McPherson be substituted for that of Ms. Haverstock on the list of members on the Standing Committee on Crown Corporations.

Motion agreed to.

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Lingenfelter: -- Mr. Speaker, as it relates to question no. 34, I request that it be converted to motions for returns (debatable).

The Speaker: -- Motion for return debate.

POINT OF ORDER

Mr. Neudorf: -- Mr. Speaker, on a point of order, before orders of the day, regarding petitions that my colleague from Maple Creek submitted on Friday, I believe, and this afternoon, we heard from the Clerk's office that they were not going to be accepted, and the reasons given were that they are photocopies -- and I don't have problems with that, Mr. Speaker -- and they are not in the proper form and wording of a petition and are thus returned to you, Mr. Speaker, and are not being accepted in this Assembly.

My point of order, Mr. Speaker, is to be able to understand as House Leader the reasons for these petitions not being acceptable, not in proper form, because we have a great deal of concern where the people of this province are trying to register their concerns to this Assembly, and yet they are being turned down on a fairly regular, frequent basis, Mr. Speaker. And we are having a problem addressing this with the people of Saskatchewan and getting them to understand the complicated machinations within this Legislative Assembly, Mr. Speaker.

So I would first of all request of you to have some type of documentation which will indicate to us precisely what constitutes a legal petition and what changes have to be made in order to make this process understandable by the vast population out there who simply do not understand what goes on here, Mr. Speaker. Thank you.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: -- Mr. Speaker, in the spirit of cooperation and trying to be helpful, I might say to the Assembly and to members opposite that when these kinds of issues arise as to the wording of a petition, the Clerk's office in the past has been very helpful and simply a short meeting will probably clarify this matter.

However if it is that the rules of the Assembly don't meet the needs of the members, the Rules Committee is meeting at 5 this afternoon and possibly he could raise the issue there. But this has never been a big problem in the past and I'm sure if he were to meet with the Clerk, I'm sure this could be straightened out very quickly.

The Speaker: -- I have listened to both sides on the point of order and I will take them under advisement and bring a report back to the House.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 2 -- An Act to amend The Department of Economic Development Act, 1993

Hon. Mr. Lingenfelter: -- Mr. Speaker, I'm pleased to introduce to you today for second reading, an amendment to the existing Department of Economic Development Act, 1993.

In general terms, Mr. Speaker, the intent is to provide the authority to establish a trade development corporation that is deemed to be necessary and appropriate for the delivery of trade development services in the province of Saskatchewan.

As I'm sure you know, Mr. Speaker, our provincial economy depends on trade more than almost any other province in Canada, and in fact more than most countries, even the trading giants of Japan, Germany, and United States. Saskatchewan depends on trade to even a greater extent for their economic prosperity.

For the Government of Saskatchewan the challenge is to provide the best environment possible for our exporters and to provide a package of services which can provide effective support for their efforts.

Mr. Speaker, you know our fiscal situation. We have a limited amount of resources available to support the efforts of Saskatchewan exporters, and this even more so in light of the fact of the billions of dollars of debt left by the previous administration.

The success of our trade development initiatives depends upon the ability to focus those resources on key markets and sectors which have the potential and capability of providing long-term economic growth for the province of Saskatchewan.

We have done this, Mr. Speaker, through restructuring and refocusing our *Partnership for Renewal* economic strategy. And over the past year we have worked successfully with a number of Saskatchewan exporters to market their products outside the border of the province.

To succeed in the long term, we will also need to work in partnership with other governmental and non-governmental organizations which support the efforts of the Saskatchewan exporter.

In consultation with Saskatchewan exporters and export development organizations over the past year, Mr. Speaker, we have been reviewing our trade development initiatives as they pertain to the *Partnership for Renewal* strategy.

This has included examining options for the structure of the trade development operation. As you know, the establishment of a trade development organization is one of the initiatives under our economic strategy.

Saskatchewan has targeted as part of its economic renewal the increase of non-traditional exports by 10 per cent per year to the year 2000. *Partnership for Renewal* calls for the development of a new trade and marketing development organization in partnership with the exporters, first to coordinate and manage all provincial government export marketing programs and services; and secondly, to ensure optimal access to federal programs and services.

Exporters have been asked to identify how government and industry can cooperate to meet our export enhancement targets by the year 2000. Consultation with a representative group of exporters and others involved in trade development in Saskatchewan have identified basic needs and services required for exporters and possible alternatives for a new organization and the identification of the preferred organizational option and structure. At the end of the day the process, Mr. Speaker, the preference, was for the establishment of a trade development corporation funded and managed jointly by the public and private sector.

To ensure that the government is in a position to participate with the private sector in this initiative, I am bringing forward this amendment to The Department of Economic Development Act which will provide the authority to: one, establish a corporation; secondly, to establish the regulations to go with the new corporation; and third, to determine in consultation with Saskatchewan exporters the most appropriate type of corporation for providing trade development services in our trading province.

By taking this action, Mr. Speaker, the government has confirmed the importance of trade to the economic

development and well-being of our province. This proposed course of action provides industry with the opportunity to shape its future direction in partnership with the government.

The proposal, Mr. Speaker, is to amend section 9 of the Act as follows:

(a) by renumbering it as subsection 9(1);

(b) by adding the following clause after clause (1)(f):

"(g) subject to the approval of the Lieutenant Governor in Council and the regulations:

(i) incorporate a body corporate for the purposes of providing trade development services in Saskatchewan; and

(ii) either

(A) become a member of that corporation; or

(B) hold shares issued by that corporation where:

(I) the shares have been issued for nominal consideration; and
(II) the shares do not entitle the holder to receive dividends or to receive the remaining property of the corporation on dissolution";

In addition, Mr. Speaker, to comply with this government commitment to openness and accountability

(c) by adding the following subsection after subsection (1):

"(2) Where the minister incorporates a body corporate and either becomes a member of that corporation or holds any shares issued by it, the minister shall:

(a) cause a notice of the incorporation to be published in the Gazette;

(b) lay before the Legislative Assembly a report, in accordance with **The Tabling of Documents Act**, 1991, outlining:

(i) the name of the body corporate;
(ii) the reasons for its incorporation; and
(iii) whether the minister is a member of that corporation or holds any shares".

Mr. Speaker, I'll just review once more what this amendment is intended to do. First, the amendment would give the Minister of Economic Development the authority to establish a corporation -- should it be deemed necessary and appropriate -- for the delivery of the trade development services in the province; and that is the intent of government at this time. It would also provide the authority to select the corporate instrument for the most appropriate in the delivering of services -- whether it's under The Business Corporations Act, or The Non-Profit Corporations Act, or The Co-operatives Act.

Authority is also given to make regulations setting out the parameters, the scope, the mandate, and the objectives of such a corporation. Finally, Mr. Speaker, the amendment entitles the minister to be a member of a non-profit corporation or cooperative, or to own voting shares of a business corporation. However such shares would carry no property interest.

This is a pragmatic and flexible amendment, Mr. Speaker, allowing for input from Saskatchewan exporters in order to make sure the final structure serves the best needs of our trading partners.

Mr. Speaker, this is a straightforward piece of legislation that can be supported, I believe, by all members interested in the developing of our province's ability to compete in today's global market. Therefore, Mr. Speaker, I look forward to a constructive debate and a speedy passage of this Bill.

Mr. Speaker, I would therefore move second reading of the Bill.

Mr. Toth: -- Mr. Speaker, I can understand the importance that the government is placing on this Bill that we have before us and the fact that they're going to . . . would like to amend the Act. In view of the fact that this province certainly is a trading province and a province that has to look at different avenues and research new ways of putting our product on the market so that people in other parts -- not only in other parts of our nation but other parts of the world -- would realize what we have to offer. And we all know, Mr. Speaker, as well, that unless we get out and market we'll never get anywhere.

And I can see the point the minister I think brought out, the fact that due to the economic times, the difficulties, rather than creating another bureaucracy -- of tying this in with the economic development portfolio that is already there. And I suggest to the minister that that is certainly indeed appropriate and we applaud him for that. We would also ask the minister to give a little further consideration to our request earlier on this day of the implementation of the utilities review committee under the purview of this Legislative Assembly because it certainly would be -- as we're doing here -- it would be tying something to a process that's already in place versus creating another bureaucracy, another organization.

Mr. Speaker, my colleagues and I would like to review the Bill before us in a little further detail before we move forward or give the nod or approval to the Bill, and therefore I move adjournment of debate.

Debate adjourned.

(1445)

Bill No. 3 -- An Act to Create, Encourage and Facilitate Business Opportunities in Saskatchewan through the Establishment of the Saskatchewan Opportunities Corporation

Hon. Mr. Lingenfelter: -- Mr. Speaker, thank you very much. It's my pleasure and I'm pleased to introduce today The Saskatchewan Opportunities Corporation Act, that is legislation to establish a new provincial economic development institution.

Mr. Speaker, you will have heard a great deal of discussion about the pros and cons of this new organization and the general consensus that the public and business people in the province have brought to the table; that is, that there should be a wind-down of the SEDCO, Saskatchewan Economic Development Corporation and the establishment of the Saskatchewan Opportunities Corporation.

Mr. Speaker, this Bill is intended to create and encourage and facilitate business opportunities and job creation in Saskatchewan through the establishment of a new Crown corporation called the Saskatchewan Opportunities Corporation. Knowledge of this Bill and the new corporation itself is already fairly widespread, given the fact that literally hundreds of meetings have been held over the past 12 months with business communities, individuals, and community groups.

To give you some background, Mr. Speaker, last year this process was taken to the public through a consultation process by my staff and by individual members of caucus and, as a result, a great deal of discussion and debate took place. The subject of these consultations was the government's role in economic development and financing, with emphasis on how the government would fulfil its role and deliver needed services in the province. These consultations culminated in a news conference held in Regina December 7, 1993 announcing the winding down of SEDCO and the creation of Sask Opps.

As I'm sure you know, Mr. Speaker, SEDCO has been working with business in this province for 30 years and has been a major player in jobs and industrial and economic development. However, SEDCO's mandate continued to expand over the years as it tried to be all things to all people and at no time was that more true than in the years of the past administration, during the 1980s.

As a result, SEDCO was carrying a heavy, unsustainable debt load. Its assets can't support its debt and its annual operating losses are very, very large. Despite a number of cost-cutting and cost-containment measures taken by our government and SEDCO's management over the past two years, the corporation has continued to severely strain the provincial financial and fiscal resources.

Because of the magnitude of its losses and because of the perception of a political interference in the corporation in the last 10 years, SEDCO's image has deteriorated to the point where the corporation cannot recover its credibility.

The government believes that the most responsible course of action is to wind SEDCO down and we have announced to do that. I want to emphasize the word, wind down, because SEDCO is not being shut down; it is being phased out over a period of time.

The corporation is not abandoning its clients. Existing commitments will be kept and SEDCO will manage its loan assets until the current portfolio is retired. SEDCO is also continuing to make new loans as appropriate until the new corporation is up and running.

We believe that the decision to wind SEDCO down is appreciated and supported by the vast majority of people in the province and, in particular, Main Street, Saskatchewan. Having said that, Mr. Speaker, I would also like to say that the decision to create a decidedly different economic development corporation is also appreciated and supported by the vast majority of people and business people in the province.

The governments in Saskatchewan have been active in economic development going back as far as 1905. They have long supported community development, infrastructure, starting with the first municipal power plants here in the province.

Many of the pillars of Saskatchewan's economy have been the beneficiaries of government's role in business financing. From the Saskatchewan Wheat Pool in the 1930s to IPSCO in the 1950s and the P.A. (Prince Albert) pulp mill in the 1970s, all had a continuation and an amount of government involvement.

However, Mr. Speaker, what worked then doesn't necessarily work now and what worked for SEDCO for many years is not what meets the needs of Saskatchewan business today.

In the course of consulting about government role in economic development financing, it became clear to us that the entire concept needed thinking and rethinking. Even if SEDCO could have wiped its debt slate clean, SEDCO's mandate was dated. It no longer responded to the economic development needs of Saskatchewan in the 1990s. Time and time again we have heard that government has been playing too broad a role in economic development; but we also heard time and time again that there is a need for government to assist with project financing.

I believe, Mr. Speaker, that government must provide this kind of assistance. There are key philosophical differences between the way government and the private sector approach business financing.

That is not to say that one way is right and the other is wrong. In fact these different approaches complement one another. For example, the government engages in economic development for the good of the taxpayers, and the private sector engages in economic development for the good of its shareholders. Both are

right ways of doing economic development and joined together in length can make an even stronger unit of economic development.

The new concept of the role of government in economic development is set out in the government's **Partnership for Renewal** and the economic strategy. It is a partnership with the private sector and government.

Government should not, and will not, go it alone. But it will, through a new corporation -- a corporation with a more clearly defined economic development mandate -- partner with communities and private lenders on a shared-risk basis on a limited number of projects. Priority will be given to those projects in a predetermined area of growth.

As you know, Mr. Speaker, one of the broad objectives of the **Partnership for Renewal** was to provide new sources of business start-up and expansion capital. The strategy we expected to use was providing provincial financial assistance through syndicated economic development investments with the private sector.

Mr. Speaker, today's Bill, the Act to establish the Saskatchewan Opportunities Corporation, is the beginning of the implementation of that strategy. Today's Bill strengthens and supports that strategy because it is the guiding principle that has five main points.

First, working with economic development partners; secondly, working in partnership with business on market-led projects; third, encouraging regional and community-led solutions to economic renewal; and fourth, establishing clear investment criteria to guide provincial economic development; and fifth, focusing support to maximize employment opportunities.

The Saskatchewan Opportunities Corporation reflects all of these principles. It will focus on businesses and projects providing growth opportunities in three key areas.

First, value added manufacturing and processing; secondly, export-oriented and import-replacement markets; and third, attracting new business to the province of Saskatchewan. Its clients will be active in one or more of the six strategic clusters outlined in the **Partnership for Renewal** -- agriculture value added, forestry, minerals, energy, tourism, or information technology and communications.

The Saskatchewan Opportunities Corporation will offer a range of financing including, but not limited to, fixed asset and inventory lending, fee producing guarantees, and limited equity investment.

I know, Mr. Speaker, that the key question in the minds of many Saskatchewan people is how will Sask Opportunities differ from SEDCO. I want to stress that there are very, very clear differences. Rather than function as a lender of last resorts which had become the role of SEDCO, Sask Opportunities Corporation will partner with other sources of financing, including banks and credit unions or venture capital.

By syndicating deals, the new corporation will share risk with others instead of assuming an entire risk. If the private sector financing or the community backing aren't part of the project, then Sask Opportunities will not participate.

Another major difference is that the new corporation will take direct equity positions in a project. That means if businesses make money or if that business makes money, so do the taxpayers through the Saskatchewan Opportunities Corporation.

The Saskatchewan Opportunities Corporation will not finance one business to compete with others for a limited local market. As such, its role in the retail service sector will be severely curtailed. Proponents of business in this sector will have to have a strong community backing for their projects before the new corporation will consider participating.

Accountability is another important feature. In keeping with the recommendations made by the Gass Commission, the corporation's annual allocation will come from the government's Consolidated Fund, will be part of the government's regular budget process, and will be subject to review by the legislature each year.

Mr. Speaker, I believe that the Saskatchewan Opportunities Corporation represents the expressed wish of the vast majority of those directly involved in business, finance, and economic development in Saskatchewan. I am confident that this corporation will be an effective vehicle for fostering economic growth in the province.

Mr. Speaker, I therefore move second reading of a Bill to establish the Saskatchewan Opportunities Corporation.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Mr. Speaker, by leave, permission to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Neudorf: -- Thank you, members opposite and colleagues, for the opportunity to introduce a couple of fellows I see up in the balcony up there. I'm only familiar really with the name of one of them, and that's Keith Wagner, and I'd like to take this opportunity, Mr. Speaker, to welcome Keith and his friend.

Keith is a shining example of what a neighbour is all about; he lives half a mile from our place and together we can do tremendous things. And he's also an example of an individual who I've taught everything he knows, going back a fair amount of time. But more importantly, Mr. Speaker, and members, he's also a shining example of what we don't see very much in

our society any more and that's a young fellow taking over the family farm. And Keith has accepted responsibility of the family farm and is doing a commendable job of it under tough times.

So Keith, I'll be seeing you a little bit later on and would ask all members to help me welcome Keith Wagner to the Assembly.

Hon. Members: Hear, hear!

SECOND READINGS

Bill No. 3
(continued)

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, just a few comments before I move adjournment of debate. As the minister has indicated, the government has taken a serious look at SEDCO and there's no doubt that over the years SEDCO did get involved in a numbers of areas that became controversial and possibly areas of where it may have exceeded its mandate, and no one I think . . . I don't believe anyone is really quizzing that or questioning that.

But the minister indicated that the Saskatchewan Opportunities Corporation is going to become a corporation that is going to work along with . . . And when I hear him talking about working along with, it seems to me that SEDCO did have some changes in their mandate coming where the participation loans program, for example, where SEDCO got involved with people, became not only a lender but became more involved and participated, rather than becoming the total lender in a number of economic portfolios.

Mr. Speaker, the only problem that I see with the new corporation is that it becomes another arm of government, and an arm of government that hopefully will be able to have greater opportunity to address issues immediately rather than later. And the minister has indicated that the funding that will be allocated to Sask Opportunities Corporation will be included in the budget on a yearly basis, giving us the ability to quiz and question why the money is putting into this corporation and what is being done with it.

And I suggest that is appropriate because of one of the problems that I have found, having been on Crown Corporations for the last period of years, is that the Crown Corporations Committee doesn't have the ability to review how a corporation works until that corporation brings forward its annual report, and that is some time after the close of year end. And by the time the Corporations Committee is able to get together, generally we're looking at information that's maybe a year and a half to two and a half years old. And the minister is quite well aware of that, as we did sit down in Crown Corporations last Thursday and reviewed SEDCO and what took place in the year 1991-1992.

It would seem to me that if these corporations are really going to be effective and if the opposition's going to play an effective role in addressing the mandate and addressing the funding so the taxpayers know exactly what's going on, that it would be appropriate for most if not all of this information to come to the House as the changes are being made, so that duly elected members could indeed address the concerns that may be coming from their constituents versus, as I indicated, a year and a half or two later down the road.

So, Mr. Speaker, as my colleagues and I have indicated, we certainly want to take a little more in-depth review of the Bill to see exactly where it's going, to get a better understanding of what the Bill entails.

And at this time I would move adjournment of debate.

Debate adjourned.

(1500)

Hon. Mr. Lingenfelter: -- Mr. Speaker, before I start my second reading speech, I wonder if I'd have leave to introduce a guest.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Lingenfelter: -- Mr. Speaker, seated in the west gallery is my daughter Sacha, who must be having a boring day at university to come and listen to her dad give second reading speeches. But I want all members to welcome her here today.

Hon. Members: Hear, hear!

SECOND READINGS

Bill No. 6 -- An Act to amend The Community Bonds Act

Hon. Mr. Lingenfelter: -- Mr. Speaker, I'm pleased to introduce for consideration of the Assembly, An Act to amend The Community Bonds Act.

Mr. Speaker, community economic development is a priority under the **Partnership for Renewal** economic development strategy. As you have heard, the budget document places highest priority on job creation and economic development, particularly in rural Saskatchewan.

This government amended The Community Bonds Act in 1992, Mr. Speaker, incorporating a number of measures as part of our commitment to provide prudent government and to build on one of Saskatchewan's sense of community and the spirit of cooperation. Those measures included strengthening the Community Bond Review Committee and the eligibility criteria and making the program accessible to cooperatives.

Now, Mr. Speaker, there are three basic categories of amendments required to make the community bond

an even stronger and more effective vehicle for community economic development. These categories are as follows. First, make regional economic development authorities eligible as an incorporating body to form a community bond corporation. Secondly, amend the exemption of the Securities Commission process. And third, housekeeping in compliance amendments.

Mr. Speaker, let's look at the first category. One of the many initiatives this government has undertaken is to create jobs and to have economic renewal in rural Saskatchewan; and to do this, the formation of regional economic development authorities or REDAs. You'll recall, Mr. Speaker, that I announced this plan last June to enable communities and local organizations to form REDAs -- as they are called -- to enable municipal government and business organizations and other groups to pool their resources for more efficient and effective economic development.

Mr. Speaker, in December I was pleased to join the local representatives in Prince Albert for the announcement that the people of Prince Albert area of our province were the first region to form a regional economic development authority. I understand more such announcements will be taking place in the very near future.

REDAs and community bonds are a perfect fit, Mr. Speaker, so it makes sense to amend the community bond legislation to allow for the addition of REDAs as an incorporating body. The Act already allows rural development corporations to form community bond corporations and amendment no. (1) will give the same authority to REDAs.

The second category, Mr. Speaker, addresses the issue of the conversion of community bonds to project shares at maturity. Discussions involving the Saskatchewan Securities Commission have determined that they will handle this process in conjunction with the community bond office. This process will ensure that investors are provided all information required to make wise investment decisions at the time of the maturity of the bond.

A blanket order will be issued by the commission to exempt the community bond corporation, those carrying out community bond sales or solicitation and transfers, from the registration and the prospectus provisions of The Securities Act, 1988, provided that they comply with the existing procedures under The Community Bonds Act. The community bond office of my department will continue to approve and train sales agents and conduct the offering memorandum reviews. Project approvals will continue to be provided by the Community Bond Review Committee.

Mr. Speaker, the third item simply applies to housekeeping and minor compliance amendments that are required. In 1992, Mr. Speaker, when I brought amendments before this House, I said at that time it would not be the final review of this legislation.

In keeping with our commitment to the responsive, responsible government, it has been reviewed annually to fine tune this program.

Mr. Speaker, I'm confident that all members of the House will work together to ensure speedy passage of these measures, to further strengthen the community bond program as a means of ensuring the people of Saskatchewan have jobs, and to generate economic activity in their communities. It is in that spirit I now present the amendments to the community bond for second reading. I so move.

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, as I was listening to the minister, I know I'm not the only one, my colleagues and I aren't the only ones in here that are interested in the changes that the minister is talking about, as a number of rural economic development committees in my area certainly have some questions, a number of questions as to the role of the REDA corporation that the minister was talking about, changing the format.

Some of the concerns they have is what role is this really going to mean or what role are they going to have in economic development; how are they going to be able to coordinate. I believe the minister was talking about REDAs on the basis of taking rural economic development corporations, as we know them today, and rolling them into larger economic development corporations in our rural areas. And I think the concern is: are they going to get too large that they won't have the local input and the local involvement that the rural economic development corporations have?

We've also seen through the years, Mr. Speaker, the fact that the community bonds program has been a program that has enjoyed a large portion of success as people around this province have shown the goodwill and the commitment to doing more for themselves by putting money into organizations or corporations and getting involved in trying to establish new businesses in the area.

And I think if we just took a moment . . . and I don't have all the numbers in front of me and I don't have a list of all the communities that have found the community bond corporation has been an avenue that has given them the opportunity to build and expand businesses.

And I believe the member from Quill Lakes the other day in his speech talked about his constituency and a number of the communities there and the different small businesses -- some of them that have just been started by farmers themselves, individual farmers who came up with an idea. Didn't matter whether it was in the agricultural sector or what it was, but through their ideas and some enhancement funds through Rural Development and through community bonds and even through SEDCO, they've got ongoing businesses that are providing job opportunities in rural Saskatchewan.

And I can also suggest that in my constituency we

have seen where two or three people have put an idea together, done a lot of research, especially in the area of seeding equipment, and set up a little manufacturing plant. And this year they're actually as busy as they would really want to be in putting out enough pieces of equipment on the market-place, and most of that equipment has already been sold.

So over the years, community bonds has been an avenue that has allowed communities outside of the large urban centres -- and certainly the large urban centres have utilized them as well -- have allowed smaller communities to as well get into the aggressive role of developing and creating economic development and job opportunities in their area.

Mr. Speaker, as we look at this Bill . . . I'm sure there are many organizations throughout the province would like to take a look at the Bill that the minister is introducing today as well, so that they can give us, and raise, some of the concerns they may have coming from this Bill, so that we can -- as we sit here and discuss it in committee -- in the future we can bring these questions up with the minister.

Therefore at this time I would move adjournment of debate.

Debate adjourned.

Bill No. 7 -- An Act to amend The Research Council Act

Hon. Mr. Lingenfelter: -- Mr. Speaker, I'm pleased to stand today to move second reading of The Act to amend The Research Council Act, 1994.

Mr. Speaker, the purpose of these amendments are threefold. First to provide the Saskatchewan Research Council more flexibility regarding its board membership. Secondly to recognize SRC (Saskatchewan Research Council) as an agent of the Crown. And third to ensure The Research Council Act coincides with The Tabling of Documents Act, 1991. These amendments are very important to SRC. First they provide SRC with the opportunity to adapt more quickly to the industry needs and requirements.

Mr. Speaker, in the early years of the Saskatchewan Research Council this issue was not a concern because the research was conducted by the university faculty or staff. However as the research focus moved from the pure research to applied contract research with commercial application, the SRC grew with its own facilities and staff. Today SRC works very closely with its industry clients. During the fiscal year 1992-93, SRC earned 73 per cent of its revenues from fee-for-service contract work. This accomplishment, Mr. Speaker, has helped SRC to become recognized by its peers as one of the premier applied research and development organizations in Canada.

SRC's customers need technology to solve problems, make improvements, stay ahead of the competition, and develop new markets. SRC helps them by taking the results of research, their own and anyone else's, through a design and demonstration and pilot plant or any combination of these; in turn, usable technologies that benefit the user.

For example, converting sodium sulphate into other higher valued products has saved an industry and many jobs in rural Saskatchewan; developed DNA (deoxyribonucleic acid) technology to perform parentage analysis specific to the Canadian pure bred cattle industry; help design and produce the E-Z-E-EWRAP 1000 plastic wrapper dispenser and various other products for small manufacturers; developing technology to take ultrasound images and map the amount of fat on feed lot cattle so that a farmer or rancher can determine before shipping, the sustainability of cattle for market.

Or setting up atmospheric monitoring stations in Saskatchewan and Manitoba under contract to NASA (National Aeronautics and Space Administration), which are investigating the Boreas Forest Region. This work has significance to the whole world in understanding the role of forest in determining our climate.

These are only a few examples of the work and the assistance SRC provides to the Saskatchewan, Canadian, and international clients by dedicating itself to bringing investment dollars and technology into Saskatchewan to enhance our quality of life. The value of SRC's work and benefits to our province has not been recognized to the degree it should be.

Recently a private citizen made a commitment of $500,000 towards a special technological fund. This fund is called, technology in action. It will assist projects where innovative, scientific, and technological solutions are used to improve the competitiveness of Saskatchewan enterprises, and protect jobs and the environment, especially in rural Saskatchewan.

Mr. Speaker, a second reason for these amendments is very important, because this generous donation to our province is dependent on the recognition of SRC as an agent of the Crown. Mr. Speaker, passage of these amendments will help ensure the donation by a man who grew up here, and who believes in the pioneer spirit that built Saskatchewan, along with others, will have the opportunity to invest their funds tax free in Saskatchewan to help build our economy.

And, Mr. Speaker, lastly, the third purpose of these amendments are to ensure The Research Council Act with respect to the tabling of documents is updated to be consistent with The Tabling of Documents Act, 1991.

Mr. Speaker, I respectfully request that all members of the Assembly heartily endorse these amendments to The Research Council Act, so that the Research Council can enhance its role with more representation on its board from industry, obtain private donations which will play an important role in our economy, and ensure timely reporting to the Assembly.

I so move second reading of this Act, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, there's no doubt that as a society changes there is lots of room for research and development to take place and to have bodies in place that can deal with or look ahead to the future, and research in an ongoing way is very important and significant.

Mr. Speaker, I do not intend to get into a long dialogue regarding the minister's remarks, but I would like to take further study or further review the Bill before us. And therefore at this time I move adjournment of debate.

Debate adjourned.

(1515)

Bill No. 17 -- An Act to amend The Municipal Employees' Superannuation Act

Hon. Ms. MacKinnon: -- Mr. Speaker, I rise today to move second reading of The Municipal Employees' Superannuation Amendment Act.

Mr. Speaker, the municipal employees' superannuation plan provides pension benefits to municipal employees, school board employees, and designated police officers and fire-fighters. Over 900 employers and over 7,300 employees participate in the plan. A nine-member commission representing major employers and interest groups oversees the plan's operations.

Amendments to The Municipal Employees' Superannuation Act are being pursued to integrate the plan more closely with the provisions of The Pension Benefits Act, 1992. With the passing of this Bill, a member's spouse will be required to receive a pension upon the member's death. Any excess contributions paid by a member can be transferred out of the plan or paid to the member upon termination of employment. Portability of the pension asset will be enhanced to allow members more options upon their termination of employment, and provisions will be made to allow for earlier payment of a pension asset to a member's spouse upon marital breakdown.

In addition, Mr. Speaker, upon the request of the members, the Bill enhances the normal form of pension by providing a five-year guarantee. The cost of this improvement will be offset by the current surplus in the pension fund. Interest groups such as the Association of School Business Officials, the Rural Municipal Administrators' Association, and the City of Prince Albert Employees' Pension Committee continually desire to improve the plan without impairing the future viability of the fund.

Mr. Speaker, the amendments to the pension plan are prudent. They include measures to comply with The Pension Benefits Act, 1992, and to address the changing needs of plan members.

Mr. Speaker, I move second reading of An Act to amend The Municipal Employees' Superannuation Act.

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, I might add to Madam Minister that as I was listening to her bring forward the reasoning for the movement of this Bill -- the introduction of this Bill, pardon me -- I'm made aware of a number of concerns that were raised by a number of employees, certainly at the municipal level.

And I think what the minister has indicated in her introductory remarks is that the Bill is going to alleviate some of the fears that people had out there regarding their pension plans. And I think, I believe, as I've heard, if I'm not mistaken, it's very positive and I don't know if my colleagues and I really will have a lot to raise. But we would like to at least give people an opportunity to review the Bill before we get into further and prolonged discussion, to make sure that it indeed meets all the concerns and all the questions that have been raised have been answered before we would move through passage of this Bill.

Therefore at this time I would move adjournment of debate.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 9

The Assembly resumed the adjourned debate on the proposed motion by Hon. Mr. Cunningham that Bill No. 9 -- An Act to repeal The Agriculture Development Fund Act be now read a second time..

Mr. Neudorf: -- Thank you very much, Mr. Speaker. I want to take a few moments this afternoon to outline some of the concerns that the opposition and particularly many, many of the farmers of Saskatchewan have with the demise of the Agriculture Development Fund, Mr. Speaker. Simply because of the tremendous value that it has exhibited over the years to the research and to the development which is so important in the progression and the development of our agricultural diversification that is so essential in this province, Mr. Speaker.

And I want to dwell on a few of the concerns that we have been hearing. And one of the fundamental concerns is that the folks out there in rural Saskatchewan tell me that any time they hear of this government trying and anticipating making some fundamental changes to agriculture, they get very concerned and they get very sceptical as to the direction that that change is going to take. And I would suggest to members of this House that most often, more than not, there is good reason for that scepticism, Mr. Speaker.

Because if we take a look at some of the track record of this government over the last couple of years, it is almost astonishing at the number of programs that they have been able to eliminate and directions that they have been able to determine that actually, instead of helping and aiding the development of agriculture in this province, it has actually been detrimental to that, Mr. Speaker.

And the fundamental position that we are taking as an opposition to the elimination of the Agriculture Development Fund is that it's going to be detrimental to the welfare of agriculture simply because of the positive impact that this fund has had over the last number of years, I think since 1985 -- if I'm not right, in that neighbourhood, Mr. Speaker.

This government has over the last while eliminated many of the support programs for agriculture. It certainly has, as we are all aware, not hesitated when it comes to the breaking of 60,000 farm contracts that the government had had with the farmers. It certainly has not hesitated in closing rural hospitals and basically it has not been good for rural Saskatchewan, with the agricultural component in particular.

So, Mr. Speaker, with the premiss then, that instead of helping to rebuild or allowing rural Saskatchewan even to survive, the NDP are once more on a road helping for the demise. And, Mr. Speaker, what this Bill does is just adds to the continuum of the hack and slash approach that the government has tended to be taken as far as rural Saskatchewan is concerned.

And I say that, Mr. Speaker, with a great deal of cause, a great deal of cause, because we have known that rural Saskatchewan has suffered. Has suffered not only from the economic climate at the international level, but it has been added to a government . . . and I will give them some credit here. I think, in a way, that government has been trying to help rural Saskatchewan, Mr. Speaker.

But the message that comes back to me is please, a plea from the farmers, leave us alone. Don't help us any more; we can't afford that kind of help. Because invariably, when a program has been established, it is counter-productive. It is counter-productive to rural Saskatchewan.

And I come back to the fundamental premiss upon which we are working with this particular amendment and that is that is going to be detrimental and not productive to the well-being of rural Saskatchewan, Mr. Speaker. It's going to add to the hacks and the slashes that have been occurring to rural Saskatchewan.

We know, for example, that this government is now intending to enforce a reduction of the MLAs in Saskatchewan by eight. Now, Mr. Speaker, we have no problem with that; in fact we have come up with an alternative that said that reduction should be even two greater than that -- but not all in rural Saskatchewan, not all at the expense of rural Saskatchewan.

And you back-benchers are sitting there and you are accepting that. You're accepting that and your own rural constituents are going to be suffering, and yet we don't have any voices in the background of the NDP benches saying, Mr. Speaker, let's investigate this. Is this good for rural Saskatchewan?

And that's what this ADF (Agriculture Development Fund) as well, Mr. Speaker, because I submit to you that quality agriculture is job 1 in Saskatchewan. We've got half of the productive farm land in Canada; half of our population is basically still living in rural Saskatchewan.

So, Mr. Speaker, and to members opposite, how goes rural Saskatchewan, goes Saskatchewan. It's fundamental. It is fundamental.

So, Mr. Speaker, why reduce the impact of rural Saskatchewan? Why should this impact be felt only in rural Saskatchewan? Because you fellows and gals over there know what's going to happen in the next election. You're not going to win one rural seat -- not one rural seat.

Huh, you say, huh. Your own back-bencher over there saw the light the other day and he decided he was going to walk over and join the Liberals. He thought there might be a better chance over there to retain his seat. And by all accounts that's not going to do enough for him either.

So I'm just saying to you people, speak up for your constituents. Speak up for those people that have elected you. They're counting on you. Don't sit back and grin and just say well, gee there's nothing I can do, I'm only a back-bencher here. Speak up in caucus. Defend rural Saskatchewan. That's why you're here, that's why you were placed here, and don't allow these kinds of things to happen.

Mr. Speaker, eight MLAs out of rural Saskatchewan, gone. Take a look at the 52 acute care facilities in order to save money. Where are they now? Gone. At what cost, Mr. Speaker? At a direct cost to rural Saskatchewan again.

And again I can say to you, speak up. Don't allow that to happen. We must have savings and we must cut back on spending, but not exclusively to the cost of rural Saskatchewan, Mr. Speaker.

What else has happened? Well we know that the Saskatchewan Pension Plan is gone. Now that affects everybody in Saskatchewan. That affects not only farmers, but where was it headquartered? Where are the headquarters of Saskatchewan Pension Plan? Kindersley. Kindersley. And the member of Kindersley has been a thorn in the government's side, because he's doing a good job for rural Saskatchewan. He is speaking up on behalf of rural Saskatchewan.

What about the rural natural gas distributions system, Mr. Speaker? Gone. Gone. As is the Agriculture Development Fund if we allow this Bill to pass unchallenged.

What about the reduced municipal revenue sharing? Again, difficult to maintain the infrastructure in rural Saskatchewan. Not that it's not tough on the cities as well, Mr. Speaker, I grant you that. But when you're working from a smaller critical mass, when you're working from a smaller base and then you take a big chunk out of it, it is much, much more difficult yet to maintain any semblance of the types of services that rural Saskatchewan needs, in fact demands for a quality of life, Mr. Speaker.

So we have elimination of the Crown lease surface rights. We have for farmers breeder fees going up by 31 per cent. Something that affects many, many farmers as well, Mr. Speaker, is the cancellation of the feed grain adjustment program followed by the elimination of the interim program, red meat production equalization program, Mr. Speaker, that so many farmers were depending on.

And while there is somewhat of a justification there, I guess the justification is there, but what bothers most of the farmers is the alacrity, the speed with which this government moved to match the steps that Alberta took when they took away their Crow offset program, Mr. Speaker

We have the increased pasture rental fees. We have the cancellation of the livestock cash advance program. We have the cancelled ethanol incentive program. We have the feeder and breeder loan guarantees being capped. We have our Save our Soils program cancelled. We have the ad boards funding is being cancelled. We have the calf program cancelled. We find that the fuel rebate for farmers has been capped.

And we're back to the good old days here, Mr. Speaker, for the institution, the reinstitution of purple gas . . . (inaudible interjection) . . . And the member says, right on. Mr. Speaker, I think that is a shame.

Then we know what is happening with the GRIP program, the cancellation of the GRIP program. But, Mr. Speaker, the cancellation of the GRIP program begs a question, and I address this directly to the Minister of Agriculture. What are you doing as a result of the cancellation of the GRIP program? What has happened over the last two years, Mr. Speaker, since that occurred?

And I'll tell you what has happened. I have a document here. It says **Agriculture 2000**. This is the government's future for Saskatchewan in a nutshell -- **Agriculture 2000**. And they're proud of it. The Minister of Economic Development says this is the wave of the future.

Well tell me, tell me and the farmers of Saskatchewan what **Agriculture 2000** is. I haven't been able to figure this little document out here. This is the future which the greatest industry of Saskatchewan is depending on. And I can't find anything here.

(1530)

The Minister of Agriculture says, making money. Well my, my. How are farmers going to be making money with a program like that? What has been established? I just referred here to the cancellation of the GRIP program. The GRIP program has gone. You've got your happy little committee and I'm sure that they are honest people putting their best foot forward and trying to be as innovative and helpful as possible.

And what are you saying at this stage? What you're saying to me now and to the farmers of Saskatchewan is, well just hold on. You have to wait a little while yet because we don't really know what we're doing, and we don't really know where we're going. But what we will do, Mr. Speaker -- that's what the Minister of Agriculture says -- we will continue the consultative program. We will continue to ask what should we do.

It's past that stage, long past that stage, Mr. Minister. And we've got to get our act in gear so that indeed we know what the long-term strategy of this province is. Because, Mr. Minister, quite frankly . . . and I'm glad that the Economic minister is sitting beside you there and you're taking very careful note of what I'm saying, and I hope that this will have some fruit in its bearing.

And I say to you two ministers, you come out with a plan, the one fellow comes out with a plan that says **Agriculture 2000**; and the other one says, we must diversify, get into livestock, produce more sheep, produce more lamb, produce more beef, produce more hogs. And what do you do? The day after your announcement -- and I'm speaking a little bit figuratively; I'm not quite sure how long -- but the day after the announcement you jacked up the energy rates by nine and a half per cent, following your previous rate.

And if you know anything about the hog industry and some of the other intensive livestock operations in this province, you know that energy is a major, major component in the input costs. And yet you're saying, expand, diversify. And yet you're taking the props away. That's why I say to you fellows, don't interfere with the agriculture of this province. Get out of the way. Quit sucking up the funds out of these people's pockets that would like to get on with life. That's the least you could do.

It's being, as I said before, Mr. Speaker, counter-productive. Many of your actions are being exactly counter-productive to what the intent should have been. That may be what your intent really is, but you're not accomplishing the objectives that the farmers of this province are looking forward to.

And so we talk about R&D, research and development. We talk about extension services. There's a whole pool -- as you're well aware, Mr. Speaker, being an educator -- there's a whole pool of knowledge that can be accessed, that can be tapped. We have a tremendous R&D program at the University of Saskatchewan in the School of Agriculture.

And yet when the farmers wanted to have access to that information, we said, all right, we'll give it to you. And we went out into rural Saskatchewan, through rural service centres, and we produced -- how many did we produce again? -- 52 rural service centres. What did you do? The first few months in office you closed nine of them down, including the one in Rosthern, Mr. Minister of Agriculture. And the folks aren't very happy about that because they relied on that.

So what are you trying to do now? At the expense of rural Saskatchewan, Saskatoon gets more business. I guess I don't really mind Saskatoon getting the business, but not at the expense of Rosthern. I have to speak for my constituency, and that's what I'm doing. I'm sending you the message that I'm hearing. They're not particularly pleased at that kind of counter-productive measures that you are taking.

Now, Mr. Speaker, I have a number of pages of that kind of thing, because the litany is long. And the member from Churchill Downs is on his knees already, asking me not to continue. The litany is there; the damage is there. And I will resist the temptation to continue on because I believe, Mr. Speaker, I have made my point. I have made my point.

The research and development is important. The ADF (Agriculture Development Fund) funding has been important, and I've got tables and books and documents here documenting the advantages that ADF has given to the farmers over the years -- a long list of them.

Now I'm going to get to the reason, I guess, why I am so very disappointed about what's happening here, because I believe I can read between the lines. I know what is happening here.

We have, Mr. Minister . . . and I'm looking right now at the annual report for the Saskatchewan Agriculture Development Fund for the year 1992-93. And I can just open it up and immediately following the letter of transmittal is the minister's message. That's you, Mr. Minister. Your signature's at the bottom here Yes, you're aware of it. Right.

And I just want to quote a few passages here, Mr. Speaker, if I might, where the minister says:

> The Government of Saskatchewan is committed to the future of Saskatchewan's agriculture and food industry through research, development and demonstration. The ADF provides farm families and the farm processing industries with tools necessary to build a strong future.

You know what, Mr. Minister? I agree with you. So do most of the farmers of this province. And you go on and say:

> Farmers, industry and government must work together to ensure the future of the Saskatchewan agriculture and food industry. I am confident (you say) that the ADF will play an important role in that future.

And what are we doing here today? We're talking about the hack and slash, the demise of the ADF fund. That's what we're talking about and that's what you folks are contemplating over here.

The next page you say, and again I quote from the Saskatchewan Agriculture Development Fund:

> The Saskatchewan Agriculture Development Fund . . . is a vital tool for implementing Saskatchewan-based initiatives in food and agriculture research, development and demonstration projects.

It is a vital tool, I remind you, Mr. Minister. These are your own words. No, these aren't your words; these are the words of Hartley Furtan, a good friend of mine, I might say, who is the chairman of ADF. And I think that he also must be disappointed in the direction that this is taking.

And I can go on, Mr. Minister, to continue to quote, to quote these kinds of statements that you are making about ADF, about diversification, about its impact on northern Saskatchewan in the agri-food sector, different kinds of situations like that. Technology transfer is another issue that is talked about in here.

Now I just want to do a little bit of explaining to the people who might be interested in this and to the farmers of the province, Mr. Speaker, about what the motivation is in this government. Because I know what the minister will do when we ask him questions about this in Committee of the Whole. He will get up and the first thing that he will tell us is, well folks, don't worry, the ADF is not really gone.

An Hon. Member: -- That's right.

Mr. Neudorf: -- So you see, he says, that's right. I knew what he was going to say. He's going to say it has now been embodied in the larger picture of the Department of Agriculture and Food. It's still there. Oh, mind you, Mr. Speaker, it's still there; it's just hidden. It'll never see the light of day. It will never see the light of day. So he's going to say it's still there, only in a different form. Only now he's going to be chairman of the board instead of the deputy minister.

And I can see here by the list of the board itself, you've got some pretty good people on this board. I think they're to be commended. And I could go through the list of the members. I have no problem with the members on this board, Mr. Minister.

But you're taking full control of the direction which this board is going. But more importantly, you're taking full control of the funding of this board. To me it's no different than what happened in SADAC (Saskatchewan Alcohol and Drug Abuse Commission) in Health last year. The funding for SADAC was taken up and it was just embodied in the Department of Health and lost in the big picture of the

things. That's what happened there.

Mr. Minister, our concern is that the ADF fund is going to go the same route. That's what we're saying and that's what our concern is . . . (inaudible interjection) . . . Oh, you say no. You say no.

Well, Mr. Minister, during the year -- and this is the year in review ending March 31, 1993 -- during the year the Treasury Board . . . You know what Treasury Board is? The Treasury Board are you folks sitting in the Treasury Board. It's the ministers, and only the key ministers, Mr. Speaker, that make up Treasury Board.

During the year Treasury Board withdrew $1.96 million out of this fund. I'm not quite sure where that went, Mr. Speaker. Where did that funding go? -- $1.96 million. Furthermore, Mr. Speaker, in addition to that, we find that in 1992, $10.6 million was withdrawn by Treasury Board out of the unexpended portion of this fund -- $10.6 million.

Now where did it go? Where did it go? Where did it go? I don't know. I don't know where it went.

An Hon. Member: -- Did it go . . . (inaudible) . . . to put it into Agriculture?

Mr. Neudorf: -- Well, good question. Did it go into Agriculture? Did it go into some kind of beef-up . . . beef, that's probably the wrong terminology. I don't think it went to any beef programs. But did it go to beef up some kind of slush fund? What are you doing with it? It went into the Consolidated Fund and got lost in the shuffle.

Mr. Minister, I hope I'm wrong. I hope you will be able to persuade me that I'm not seeing this thing quite right and that some of the folks that I've talked to are also wrong in their perception of what is going on. But I suspect very strongly, Mr. Minister, that these funds are going to be used up for something entirely different than what they were intended for.

You have said in your own words, your deputy minister has said, the Economic Development minister had said that R&D is important in this province. And certainly with the possibilities of the biotechnology that is available, with the possibility of attracting some of the R&D works and some of the R&D folks out of Toronto, out of Ottawa particularly, there is big potential there. And you know that.

Our university has got the room. We're a low-cost area to help develop this kind of R&D. And yet when it seems as if there are opportunities on the horizon, you choose to say, well maybe this isn't a priority after all. Because the Minister of Finance has tapped you on the shoulder and said, maybe we could use these funds elsewhere; it's not really that important. And we're disappointed in that, Mr. Minister.

And we will be asking you for some extremely concrete, solid commitments on your part that the monies that were devoted to ADF projects previously are in fact going to continue to be there, perhaps even enhanced, and that there will be some solid proof of expenditures in the R&D program. Even though the ADF . . . and you're going to win out at the end of the day when we come to vote on this. We know that. But we are still going to hold your feet to the fire and make sure that rural Saskatchewan does not suffer once again.

Mr. Martens: -- Thank you, Mr. Speaker. I too want to add a few words of concern to the information that has been provided by the member from Rosthern. And I want to begin by saying that Saskatchewan Agriculture Development Fund was begun as a part of a process to enhance the delivery of programs for research demonstration projects. And typical of development for processing and technological transfer between agencies of research, and research to development -- research to development, and to use by the people of Saskatchewan.

One of the things that was done as a result of putting all of the research together in Agriculture into one component. What happened was that the involvement by the Department of Agriculture and Food was one that said should we be managing this ourselves or should we allow an arm's-length organization to operate this fund. And in that process, Mr. Speaker, the decision was made that it would probably be in the best interests of Agriculture to operate this fund at arm's length.

Now one of the reasons, I think, -- and it's a very significant one -- is that in many cases the public began to think that research and development could only take place as an arm of government. Research and development could only take place as a part of government, and I believe that in the context of what we're looking at in research and development we have to go beyond what government can do. We have to go beyond what government can do by itself. And in this area we need to go into those areas, for example, the private sector which can provide and input in a very systematic kind of a way.

And I believe that what the minister is going to do is he is going to jeopardize that involvement by the private industry by taking and doing what he's doing to the Ag Development Fund. He is going to say that I am the only one that's going to make a decision about this. He, for example, is the ultimate authority in the direction that the board is going to take.

(1545)

And I want to say to say to the members of this Assembly that I don't believe that he should be doing that. I think that he should give them a mandate to achieve a certain goal. He should give them a mandate to say I am going to go into research versus demonstration.

Or he could say I am going to give them a mandate to go into technological development in the area of agriculture. He could give them a mandate to go into processing as a tool to develop agriculture.

Give them a mandate to do one, two, three; have a priority of all of them. Say this is first, this is second, and this is third. And he could give that board the mandate to do that.

But now what is going to happen is that he is going to be at the head of it, and knowing the minister, I think that he is reducing the value of the board to provide the direction that the province should have in its research and development.

And I think that that is a serious problem. I think that he has already stuck his finger in there so blatantly that he should be reprimanded for it. And I'll point to the fact that in 1992, under his authority or the member from Rosetown-Elrose, either one of those two ministers decided that 10.6 million should be moved out of the Ag Development Fund and put into the Consolidated Fund.

And, Mr. Premier, that money had been placed in the Agriculture Development Fund as a discussion of this Legislative Assembly. This Legislative Assembly said, on budgets prior to 1989 that they would provide funding to the Ag Development Fund in a way that it provided a surplus to that fund. And through the years it had developed a $10.6 million surplus, Mr. Speaker.

And in that fund the people who were on the board of directors could easily take and say the investment opportunity that that has provided in revenue will be used for project A, project B, project C.

And that, Mr. Speaker, was exactly what the fund was used for. The interest was designated to research and development. And, Mr. Speaker, the whole fund on an annualized basis was in the neighbourhood of $25 million; $10 million became a movable capital residual that could be used for extraordinary projects that came forward.

And, Mr. Speaker, what happened was this minister, this government, decided that that fund should be put back into the Consolidated Fund and left there and to be used for general revenue outside of agriculture, inside of agriculture, and for whatever. And that's the reason, Mr. Speaker, I have a lot of questions about why this minister would move the role and control of the board of directors into his own personal hand.

And I believe it's wrong. I believe it was wrong that he moved the $10.6 million out of that fund, and I believe it was wrong for him to move the $1.9 million out of the fund last year. Those are all things that he is controlling and manipulating the fund with.

And I have heard it from people in the research side of agriculture that they have a serious problem with that. Why should the people on the Ag Development Fund board be restricted to the concept of the Minister of Agriculture in dealing with this issue.

I think they're seriously restricted by this minister. They don't have the opportunity to put the money where they see it should be going. They're the experts. We have doctors and scientists throughout the board, people who have a vision for what Saskatchewan could be. And what's happened? They're curtailed, they're inhibited, by the minister being responsible, as the chairman of the board or the head of the organization. Mr. Speaker, I think that's wrong.

I think it's wrong because I think the powers . . . As it says in the speech that he made last Thursday I believe it was, he said that the provisions in this repeal legislation will transfer all powers and privilege and duties of ADF to the Minister of Agriculture and Food. That's what it's going to do, and I think that's a serious, serious problem.

This minister is deciding that not only will he say that I can move $10.6 million out of the fund into the Consolidated Fund -- what else is he saying by this? He is saying that I am going to manipulate what these people, as board members, are going to be doing in the future. And I think that's wrong.

I think it was wrong for him to begin that track when he took the $10.6 million out. I think it was wrong for him when he took the $1.9 million out. And it's wrong today, Mr. Speaker, because I want to point out what confidence . . . what confidence is the private sector going to place in this minister to invest in research and economic development in this province, given that he has taken away and placed on himself all those privileges -- the powers and privileges and duties of ADF to the Minister of Agriculture. And that I see as seriously reducing the value of the Agriculture Development Fund.

Then I ask the question this way, Mr. Speaker. Is that really the purpose that he has? Is that really the purpose for which he is doing this? And I would suggest that perhaps it is. He has not said that he is for agriculture development and research. He talks in glowing terms about people doing it. But is he going to contribute?

Mr. Speaker, I'm going to use some examples of a return on the investment in research and development in the canola industry, for example. In research and development, a dollar spent, a dollar spent, Mr. Speaker, has returned over $100 value for every dollar spent in research in the canola industry. And if we wouldn't have had the canola industry in 1993-94, this province would have a serious, serious problem in the grains and oilseeds. And that's a fact, Mr. Speaker.

Canola, next year, is expected to out-produce its production this year; more acres next year. Why, Mr. Speaker? Because canola has become an oilseed for household use that far surpasses anything anybody every thought could happen. And the reason is, Mr. Speaker, that researchers in Saskatchewan decided to take it as a priority, put it into place, and today we have an oilseed that is used all over North America, used in Japan. It's used in southeast Asia and, Mr. Speaker, the reason is because research and development was done on that project in Saskatchewan to provide the basis and the in-depth knowledge and understanding of a number of things:

how to process it, how to grow it, how to grow the best varieties, how to grow the varieties that would be the most likely to succeed in the context of Saskatchewan's weather.

That, Mr. Speaker, that, Mr. Speaker, was done in Saskatchewan under development by people from Saskatchewan. And that, Mr. Speaker, is why I say to this minister he is going to take over that power and that authority and that privilege to say, you can't develop this, or you can't develop that. I want to do it on this one.

Why, Mr. Speaker? Is it maybe because his friend or something is involved in that research? Is it going to have an economic impact of value to the people of Saskatchewan and internationally? The possibility exists, Mr. Speaker, that the answer is no. And that is the reason why we have a serious problem with him taking control of the agenda of this board.

He is going to be in the place where he can manipulate and, as I have seen him before, he does that on a continual and constant basis. He does that in the department, he does that in . . . and he will do it in this one too, as well, because he has said he would.

Mr. Speaker, provisions in this repeal legislation will transfer all powers, privileges and duties of ADF to the Minister of Agriculture and Food under The Department of Agriculture Act, and all the properties, Mr. Speaker. All the properties.

That leads me to an interesting point, Mr. Speaker, and the point is this. We have an organization in this province called VIDO. It's called the Veterinary Infectious Diseases Organization. And that organization, Mr. Speaker, has developed very specific controls over a number of very serious diseases in the livestock industry and I want to just point out one. One of those was a disease that infects calves and it's called scours. And VIDO, the Veterinary Infectious Diseases Organization, headquartered in Saskatchewan, provided a vaccine within a very short period of time to control this.

And what has that done? That has allowed that vaccine to be sold not in Saskatchewan, not in Canada, but all over the world. All over the world, Mr. Speaker.

Now if the Agriculture Development Fund would find a cure for any kind of a disease, any kind of a fungus that would appear on plants, or plants of various varieties, and would say they would be able to market that, who would get the benefit of that? Would the scientists who had developed it? Would the private organizations who had developed it have the opportunity to get the benefit of that development?

It says right in what the Speaker . . . Mr. Speaker, what the minister said on Thursday. He said that all powers, privileges, and duties of ADF will be in the Minister of Agriculture's hand and they become the property belonging to Her Majesty in right of the Crown.

My question to the minister is this: Is that going to give confidence to the investors from private companies in the province of Saskatchewan to invest in research in the Agriculture Development Fund? And I would hazard a guess the answer is no. And I believe that he has crossed the line on this and I think it's a serious, serious problem.

In development of agriculture in this province . . . I'll just use another example. The research station in Swift Current has provided example after example in grain, example after example in grass varieties that have come out of the research station in Swift Current that have provided millions and millions . . . hundreds of millions of dollars of value to the people of Saskatchewan. Not only to the people of Saskatchewan, Mr. Speaker, but internationally it has provided a benefit to the people on an international basis. When people were talking about a little bug that's called the sawfly -- cuts off the stem of hollow wheat plants or grain plants -- that little bug would crawl up the plant to just above the first node and cut it off. And it would fall over and it was devastating. So what did they do?

Research station in Swift Current started working on that. They developed a solid-stem grain variety that would be resistant to that. And what did that do? It transformed all of the breeding programs in wheat alone. Now it was an asset to the society. But, Mr. Speaker, if that would have been a private company willing to put the money out to deliver that research and development, this minister would have taken that over like he has taken over everything. He and his cabinet officials have taken over everything that they could put their finger on -- everything.

Ten point six million dollars you pull out of that fund carefully and put it over into the Consolidated Fund. That's one year. Another year they take 1.9 million, pull it out of the fund, and put it into the Consolidated Fund. Mr. Speaker, the people who are on the board of directors made those decisions about that fund independent of minister activity. They made that decision to do it on the basis of whether it was right for agriculture development in the province of Saskatchewan.

(1600)

They made that decision independently. I know they made it independently, Mr. Speaker, because I was the minister responsible for that. And as the minister responsible for it, I did not put that power in my hands to tell them what to do. But this minister has taken that power over. This minister has said: I can pull it out of here and put it out of here. I'll transfer the 10.6 million because I think I can do it better over here; or I can take this 1.9 million and put it over there.

And that, Mr. Speaker, is the reason why I think that this minister would do the same thing for information, technical information. I'll pull it out of here and use it for the gain of the Department of Agriculture -- not for the gain of agriculture in this province, but for the Department of Agriculture. And that is where I see,

Mr. Speaker, that this minister and this government are in serious error. And he's done it over and over and over again.

Mr. Speaker, he has said that this is a good organization. He said ADF has research projects with farm organizations, farm and industry groups, the University of Saskatchewan, and Agriculture Canada.

Now which ones is he going to get rid of when he says, I am going to control? The one, Mr. Speaker, the one that is the most important of all of these, because it does not come from the tax base of the province of Saskatchewan, is that private sector that he is now going to say, I'm shutting the door. He is saying, I'm going to close the door and all of the strategic research for agriculture development is going to have to take place under my direction because I'm smarter than everybody else. That's what he's saying. Because he has the power, privileges, and all properties will belong to the Department of Agriculture and Food.

Well, Mr. Speaker, I think we've got to go beyond that today. People in this province are saying we've got to start something new here. If people want to have development in grain, let the people decide where their funding and research is going to come from -- let the people decide. If it's going to come in the livestock industry, why not let the livestock industry decide how much; why not let the livestock industry decide the check-off value, and then let them put that into the fund?

And, Mr. Speaker, this minister is walking very close on that issue as well. He is walking very close to the edge because what he is taking away is going to be just as destructive, Mr. Speaker, just as destructive as what this is. And that, Mr. Speaker, is very, very serious. It has the livestock industry hanging on its head, Mr. Speaker, and they are very, very irritated by it. That's as serious as this minister is. And he will do exactly with ADF as he has done with the livestock industry -- if you don't do it my way, then you're out.

And, Mr. Speaker, I heard a grunt from the other side that was telling me that somebody didn't agree. Well, Mr. Speaker, why doesn't the livestock industry go to see those fellows over there, those men and women who are the back-benchers . . .

An Hon. Member: -- They have.

Mr. Martens: -- Yes, they have, and they have told you very firmly that this Minister of Agriculture and Food has stepped over the line. And if he is prepared to step over the line for a million dollars, he's going to step over the line in a lot of ways, Mr. Speaker, and that's what I'm telling this Assembly. This Minister of Agriculture, under the direction of this Premier, is stepping over the line. Now he wants to take all the powers, all the privileges, all of the properties and say it belongs to the Minister of Agriculture and Food in respect to Her Majesty.

Mr. Speaker, those funds come from the taxpayers. They aren't the government's. They are the taxpayers'.

And, Mr. Speaker, some of them gave those monies out of their own volition. They decided that they were going to do this on their own, Mr. Speaker. And what have we got here? We've got a minister who says, I'm going to take all of that away. Is the private sector going to invest with that kind of a minister? I say to you, Mr. Speaker, no.

Is the private sector going to become involved with him because they have a confidence in him? I say no. Is the private sector going to even think about having confidence in this minister when on the one hand he says, I'm going to take the powers and the privileges, and then on the other hand he says, now you come and give me your investment dollars from the various chemical companies or the various research scientists who want to do research into the livestock, the hog industry, or any of those kinds of commodities?

Are they going to have confidence in this minister? I don't think so, Mr. Speaker. I don't think so. They have said that to us and I am sure they've said it to the people that sit on the back benches of the government. I am sure that they have said that to them because they've indicated to us they have.

Mr. Speaker, the assets are going to be transferred to Her Majesty in right of Saskatchewan, and the Minister of Agriculture and Food is going to have the power, the right, to tell the board of directors of ADF what they're going to do. He's going to tell Hoechst Canada what to do. He's going to tell Du Pont what to do. He's going to tell all of these companies across Canada that maybe want to invest in Saskatchewan, if you put any money into this I am going to take claim to it -- I am going to take claim to it. And that's wrong, Mr. Speaker. That's wrong.

I noticed -- to put it in so that people will understand -- prior to 1982 they had a program under the conservation development branch of the Department of Agriculture; they had a program for soil conservation. And you would drive down the roads, Mr. Speaker, you'd drive down the road and you would see this sign at least six feet high and three feet wide, and on that sign would say, research project, soils salinity problem, funds donated by Gordon MacMurchy -- big letters. You could see that from almost a quarter of a mile away. And you could see that sign. Who gave the authority to do that? Mr. MacMurchy -- this was his project.

No, Mr. Speaker, it wasn't Mr. MacMurchy's project. Whose project was it? It was the farmer's project, Mr. Speaker. They forgot to put the farmer into the right light in that project. What have we got today, Mr. Speaker? We have a Minister of Agriculture who's going to say -- whatever his name is -- he's going to say Mr. so-and-so, Minister of Agriculture and Food, is the minister responsible for setting this project up.

Does the farmer get any credit for it? No, Mr. Speaker, the farmer isn't going to get any credit for it. Is the board of directors going to get any credit for this? No. Are the companies that are going to do business with ADF going to get any credit for it? No. It will be

Minister of Agriculture and Food, big title across the bottom. You just watch and see what happens. That, Mr. Speaker, is the problem.

Isn't Hoechst Canada going to get the credit for the money they put in there? No. The rights and privileges belong in the Department of Agriculture and Food and the minister is responsible. Oh, but he will say, I am defending the rights of everybody. No, Mr. Speaker, he's defending the rights of himself only, what he perceives to be in the best interest of research and development.

Mr. Speaker, I'm going to point out another incident that people understand. There's a little black seed that's about the size of a pepper kernel and that seed is called borage and that plant that grows . . . that is grown in south-east Asia but it's also grown around Saskatoon. And what do they use that for, Mr. Speaker? That little seed is crushed, it's crushed and oil is taken out of it and that is to take away the one kind of cholesterol that is in the blood stream of the majority of people. It's the bad kind. There's two kinds, one is good and one is bad. And it's there to take the bad stuff out.

Now, Mr. Speaker, the project for all of this was developed when I was the minister responsible for ADF. Did I know what that little black seed was going to be used for? I was told what it was going to be used for. But these people, these people who are on the board of directors of ADF said that is a good project, that's a good project.

How many acres do we have of borage around the city of Saskatoon today because they have a processing plant there to look after it? And companies like Shaklee buy that product from them and use it.

Mr. Speaker, do you know what language it's in when they sell it? It's not English -- it's Japanese. Why? Because it's a market potential driven by a Japanese market.

And, Mr. Speaker, did I know anything about borage before I went there? No, sir, I didn't. But when they told me about it, they said this is a good project; we've decided to do it.

And that, Mr. Speaker, is the reason I say to this Minister of Agriculture when he thinks he has the complete control and the supreme intelligence of the agriculture sector by saying I am going to control this, I know what's best, I am going to handle this, then Mr. Speaker, he has set himself up for failure of agriculture in this province. That is the reason why, Mr. Speaker, I have a serious concern about what this Minister of Agriculture is doing to the people of Saskatchewan in research and development, technological development -- all of those things.

Mr. Speaker, I know considerable of these people who are on this board. I even know the people in the Department of Agriculture who are on this board. You don't find more dedicated people than John Buchan; you don't find more dedicated people than Terese Karwandy. You don't, Mr. Speaker. And they are from the Department of Agriculture, and I have no problem with them being there. They understand it.

But, Mr. Speaker, what about those people who are on the board who are from southern Saskatchewan, north-east Saskatchewan, north-west Saskatchewan? What about those people understanding? There's doctors there; there's veterinarians there; there's people who represent large provincial and national organizations, and also large national companies.

And, Mr. Speaker, I see this as a serious, serious problem, that this minister is going to decide, this minister is going to decide that he has the authority, he has the power to curtail research and development in this province, because he is limiting what they will do to what he can think about.

And that's what wrong about this. Mr. Speaker, I think that he is moving in the wrong direction. The reason that we moved it into a Crown corporation to separate itself is so it could have its own mandate. So it could have its own mandate for research and development, technological input. And, Mr. Speaker, this minister is not doing that. He is not allowing the independence of the board to exist because he wants to control it.

And, Mr. Speaker, that isn't good. That isn't good for Saskatchewan. And I can point out, time after time, historical evidence that show that when an individual who is in government controls and manipulates the size of the dynamic in research, it's doomed for failure -- plain and simple, it's doomed for failure.

And therefore, Mr. Speaker, under the purview that this does not provide an asset or a benefit to the people of Saskatchewan, I don't think anybody should be supporting it, least of all the minister, who says he knows something about agriculture. And that's why, Mr. Speaker, I'm going to have a great deal of difficulty supporting this amendment when it comes to the floor of this Assembly. Thank you for your time.

(1615)

Mr. Goohsen: -- Thank you, Mr. Speaker. Once again we see our government about to destroy a part of our heritage in the province of Saskatchewan. A simple Bill -- I have it in my folder under my desk and it's not much bigger than a piece of paper -- and it says so much by saying so little. Because what it does is wipe out an entire part of our agricultural base. An entire part of our history of development of diversification in the agricultural sector is being wiped out with a few sentences that simply say that they're going to destroy and wipe out the entire process that was covered by this Bill.

And that process seems to make us wonder exactly what the government is thinking about, Mr. Deputy Speaker. Because on one hand they say in all of their speeches, and their throne speech, and all the budgetary processes, that they really want to help agriculture and they want to help the farming industry in Saskatchewan.

What they want to do is to have a diversification program that will enhance agriculture, and yet on the other hand we have in place a structure that has been doing exactly that, which the government now wants to wipe out in one fell swoop and destroy it all, with no plan to replace it except to dump it into the general program of agriculture where it will be swallowed up and lost for ever.

If you want to bring emphasis to a particular approach of how to solve a problem, it doesn't seem intelligent to me that you would bury it in a ton of other kinds of programs; that you would try to in fact enhance it by making it more visible, that you would in fact bring these issues up front, make them the focal point for all of society to see.

And so it makes me wonder why we are destroying this entire program rather than using it as a building block to enhance the very programs that the government says it wants to have as its main focus in its Speech from the Throne and in the budget process. It almost seems that here again we may have a situation where somebody else thought of something good, put it into place. And the government can't live with that; they want to put their own name on it.

And if that were the case, Mr. Deputy Speaker, and if the government in fact needed to do that and they were going to come up with an alternate program that would take the place of the one we see here, then let them say that and we can go along and live with that. Simply needing to change the name and take credit for it is not a problem for me.

If that's what they need to do to help agriculture is to take the credit for it and to make sure that their name is stamped on it, and that the people of the province will give not only their approval to it but their thanks to it and say, you fellows in the government did it and it wasn't the past administrations or the farmers of the past who developed these programs, I could live with that. I understand politics well enough to know that governments need to take some credit.

But there doesn't seem to be an alternative. We haven't been shown any kind of an approach to a building block of this nature to go into the very structure that the government says it's going to accent, that structure being one of diversification and the development of diversification in the agricultural industry.

I'll give you a few examples, Mr. Deputy Speaker, of the kinds of things that this program provided in the province, and let the people judge for themselves if this is not exactly the same things that the government says it wants to do in its new initiative which it calls the **Agriculture 2000**.

We had programs, for example, under the ADF sponsorship of flax-seed oil in the concrete preservatives. Now how many people would have realized that you can actually make concrete last longer by adding flax-seed oil? As a farmer myself, until the research was done and somebody actually proved that this was a fact, I didn't know that that was possible or that it even made any sense. But lo and behold, some bright fellow decided one day that this could happen.

Maybe it happened by a fluke where somebody spilled some flax-seed oil -- linseed oil, I guess it's called. Probably in the old days they used to use it to put on leather to soften it and to preserve it. Maybe one day somebody spilled a jugful into the concrete as he was mixing it and said, well it's probably wrecked but we might as well keep on using it. And after he poured it and it hardened, it even got better than the other stuff he had. I'm not sure, but I suspect that's how these sort of things get happening.

Well the reality is that some researchers decided that seeing as how this proposal had been before them, that it should be studied and checked out. People who grow flax-seed would certainly benefit if it were true that we could find a new use for linseed oil.

A few years ago you may recall that people were saying we would have to stop growing flax because there really wasn't any practical use for it any more. Synthetic oil products that had been developed and produced through other research programs could be made from crude oil a lot cheaper and a lot easier.

So the people that grew flax were suddenly starting to say, well we need to have some ways of diversifying the uses. But there wasn't any place where they could find funding for these kinds of projects or to get this kind of research done.

But under the agriculture diversification fund, there was an option. Here was a vehicle. Here was a mechanism that we could put this program under. And so it was done. And so it was proven that flax-seed oil in fact does do a lot of good to help strengthen concrete and make it last for a longer period of time. Thus we have a new preservative that was developed out of an old product that was always there. We just didn't know that it would work.

We had canola oil being tested as a dust suppressant. Now who ever would have thought that canola oil could effectively be used as a dust suppressant in other grains, of course. It might be thought, well you could put it on the ground, it would stop . . . it's oily; it would stop dust. But that's totally impractical. It is, you know, just a fact of life that you couldn't spread that kind of expensive oil on a road to stop dust from a road.

But here we have a problem in our edible foods. In ships, for example, the dust gets so thick that people can't work in the grain. This is an actual dust from the grain breaking up to a certain extent. And yet if you put water on it, it's going to make it wet and it will get soggy, and it will mould and get spoiled. So you have to have a way to control that dust so that you don't destroy the food properties and you don't cause the food to either spoil or to make it inedible.

Well, Mr. Deputy Speaker, it's found that canola oil is the perfect solution. Not only is it an edible product itself, but it does the job very well. When the idea came about though, where was the money to research that to come from? How were we going to find out if canola oil in fact would be helpful to suppress dust in edible foods that were to be handled in a bulk situation?

We had to have a vehicle to put that to the test where there was money available, and the ADF was a fund that was available; it was a vehicle that provided that. And the government is taking that vehicle away from us by cancelling this Bill. And when they cancel the Bill and they don't provide a new area, then we lose the accent on getting these jobs done.

And as I mentioned before, Mr. Deputy Speaker, that is the all-important part of this Bill not being taken away, or at least having something in place to put in its place. Now if the minister is serious about wanting to get the job done, he needs to immediately get to his drawing table. Maybe he's been there. Maybe the fault is that he introduced the cancellation of this Bill before he let us know that he has something else to put into place.

He should immediately be on his feet to let us know that he has something in place that could allow for this diversification program to go ahead that he talks about as the main building block for his government's direction in agriculture.

A few years ago we had talk about glyphosate, a generic Roundup product. And as you know, Mr. Speaker, people in the province were using Roundup to kill all kinds of weeds in their crops, but they were finding they couldn't afford the cost. It was simply too expensive.

But there was a generic project that someone had discovered through some work. But there needed to be some more research done to find out if this product in fact would work, or if in fact it was cost-effective, or who could produce it. And there wasn't a vehicle to put it to the test. There was no possible way that anyone could think of to be able to finance or research the product to see if we could find a reasonable alternative to the true Roundup.

Through this vehicle, that option was available. Through this vehicle, the Agriculture Development Fund, we had a research mechanism with funding so that people could put this to the test and they did.

Now you can say, and truthfully, that the attempts made by people to bring about the generic Roundup manufacture and distribution and sale -- it failed. Those sales never happened. The product never, ever got mass produced.

But the reality is that the parent company that produced the real Roundup, realizing that this generic product was coming, that the research had been done, that the potential was there, they decided rather than to be run out of business, they would restructure their whole operation, reduce the cost of their product enough so that nobody could compete and produce in competition to them.

And so the net effect was that farmers have a product that works extremely well for them and it's provided at the cost that it should have been at to start with.

So the process was well worthwhile. It cost a lot of money for the research project; it cost a lot of time and effort. But the reality is that success was there. The price of Roundup itself went down, and now farmers use it in vast quantities at very inexpensive prices.

So the mere fact that you provided a vehicle that could provide competition meant that the parent product went down in price and now all farmers that use it have prospered and benefited. And the whole industry, the whole agricultural industry has benefited as a result of the work done under the auspices of this Crown corporation that is now about to be destroyed with one fell swoop of the pen.

Such a little Act that makes such a big difference in so many people's lives should certainly not be taken lightly. And without a vehicle to replace it, we must take a hard, hard look at what we're losing, what is it that we are sacrificing.

Through this program we had things like straw particle board -- manufacturing of particle board out of straw. It was researched, found that it could be worked. You will recall, Mr. Speaker, that there was a plant even set up and the product was produced. Unfortunately the marketing wasn't there and the process failed eventually as a business.

But now I understand . . . the last few weeks I heard that there is another venture about to start up because new technology, more research, has found better ways of handling the product, of making it a better and more sustainable product. And yet another person and his group are going to attempt to manufacture this product and put it into a practical use. So here is something, although it's taken a long time, it is going to happen and may yet be a success.

We have the ethanol plants already proven to be a success, researched and developed through this program. We have the Poundmaker one of course, that everybody knows about, and the other one in the province. And several, several people that have discussed the possibility of setting up more of these kinds of ethanol plants that would be so helpful in the use of . . .

An Hon. Member: -- Mr. Speaker, now you see why we need democratic reform.

Mr. Goohsen: -- Well if the member opposite doesn't think that democratic reform is being served by discussing an important program like agricultural diversification, then certainly he can talk all day tomorrow about something else.

But we happen to think, Mr. Speaker, that agriculture

is an important issue in our province, too important to be allowing a Crown corporation to be totally destroyed with one small Act, with all of its benefits lost to society, all of its benefits lost to agriculture without a visible plan to replace it and put it into the forefront.

Even though the contradiction is there, Mr. Speaker, the contradiction that the government has said that they're going to make diversification in agriculture one of their prime targets, and yet here they are, doing exactly the opposite -- exactly the opposite.

We've got all kinds of reasons that the minister has to know about, Mr. Speaker. Because I believe that probably what happened here is that the minister decided to scrap this program without really researching how much good it has done and can do, and that that building block is still there to serve the people of Saskatchewan.

And that, I believe, Mr. Speaker, is the role of opposition, to point out to the minister all of those things that might happen that he may have missed. That's the reason for debate in this Assembly, and I believe we need to take a little time to do that. We've got to talk about conserve-a-pal. A lot of folks might not even know what a conserve-a-pal is. And yet it is a cedar that was developed and researched through the Agriculture Development Fund.

If that program had not been there, would this have ever been done? Would you ever have looked at it? Could you have known about it? They don't know about it yet.

(1630)

We've got examples of the environment and sustainable agriculture that have been studied through this program, Mr. Speaker, biological control programs. I wonder how many people in this Assembly know that we have weeds in our province that grow that can't be controlled with chemicals without totally sterilizing the soil -- totally sterilizing the soil so that when the wind comes up all the ground blows away with the chemical in the ground to be spread all over wherever it goes.

You talk about a government that says it's interested in our environment. And yet we have noxious weeds in our province that if you control them with the chemicals that will control them, they become a detriment to our environment so as to be so terrible that you can't possibly allow that to continue.

And yet there is a solution; there is biological control. Because there were bugs in Europe that liked to feed on this particular plant. Those bugs had to be brought to Canada. Those bugs had to be placed in fields. And some damn fool had to put them bugs out there and somebody had to pay for them. Now who did that and how did it happen?

It happened through the auspices of a program like the Agriculture Development Fund, a program that you are going to totally wipe out by destroying it with this Act.

Incidentally, Mr. Speaker, just for the information of those few members who are interested in agriculture on the opposite side, those tests have proven to be quite successful. And those little bugs are feeding on the plants quite nicely and eating most of them up, and they are reproducing quite quickly without eating any other of our good agricultural crops. And that was of course the test that had to be done.

Just south of Carmichael, Saskatchewan, we have such a project. And I personally watched these little bugs eat, and they are doing quite a nice job. And now isn't it so much better that we have those little bugs eating those weeds rather than to be spraying some kind of obnoxious chemical that will not only kill man but beast as well in our environment.

We have projects like agro-forestry. And folks will say, well what has forestry got to do with agriculture? The reality, Mr. Speaker, is that we should be treating all of our forests as though it is an agricultural base. We should be farming the forest, not mining the forest. If we thought more in terms of farming our forests instead of mining our forests, we would look at it from this perspective. We would take a 40-acre strip, cut the timber and plant it to new seedlings. We would leave another 40-acre strip and we'd cut the next one over, and we would have a rotation within our forestry development.

But this project of course was different; it was to plant certain kinds of trees so that you could harvest them for certain kinds of projects. Monies are not available for a lot of farmers to be able to research these kinds of ideas on their own. Lots of times a farmer comes up with an excellent idea and he'll know in his mind that society could use this new idea or this new product, but there is no possible way that his operation can finance that or fund it. Those farms are family farms yet in Saskatchewan, and they are designed as such to provide an income for a family. There isn't enough money there for new research programs and the development of those kinds of new ideas. And so this vehicle, this Agriculture Development Fund, provided that opportunity so that people could come up with those kinds of ideas and have them developed.

The government of course would step in and help. And I'll be the first one to say that lots of times it's better for the government to be out of the way and not interfere with farmers and new ideas; but on the other hand you have to have a balance. You need to have a balance, Mr. Speaker, because sometimes things simply don't get done unless you give them that little extra help or that little extra push, especially in the area where there's very little money available. And of course I don't think I'd have to spend a lot of time pointing out to folks that agriculture is an industry that is cash short in the past 10 years.

We've got soil conservation programs that were all important, that were looked at and developed through

this legislation and through the vehicle of the Agriculture Development Fund. The soil conservation programs became so critical in the 1980s, Mr. Speaker, when half of our farms were in the air instead of laying down where they should be. And I can talk from personal experience about the heartbreaking experience of watching your topsoil spreading through the air as the high winds of the late winters come up and you have no snow cover and no trash as a result of a summer-before drought. It's happened to us three times in the 1980s and I hope it never happens again.

But we learned a lot of things during those 10 years because in 1985 when the Agriculture Development Fund was coordinated and put into effect, we were into the second year of our drought, and I suspect that that was probably one of the main reasons why this project was started back in 1985 -- although it didn't become a Crown corporation, I understand, until 1989. But the reality was that those conditions of the day were prompting us to realize that agricultural income was going down, the droughts of '84 and '85 told us that we had serious problems that we had to revisit. Not new problems of course. We've all heard about the Dirty Thirties, and those of us that are too young to have lived through them certainly have enough sense to listen to our fathers and grandfathers and know that those times were a reality.

And they revisited us in the 1980s, and we had to revisit some of the old ideas of how to cope with those kinds of problems. There were simple things like strip farming that had somehow gotten out of people's philosophy. Folks had simply gotten so used to driving tractors with bigger equipment that they saw the economic advantages of larger fields where you had less corners and so the strips were gradually broke up, and bigger and bigger and bigger fields were being farmed. Along came the drought with no trash left on the land, and the winds come up and it started to blow away.

We had to revisit some of those old ideas. And we had to have a vehicle to get that educational process working quickly, to get back into the minds of farmers the necessity to provide for these unusual circumstances during the good years so that when the bad ones come along our fields are not left vulnerable totally to the elements.

And that applies of course, Mr. Speaker, to water erosion in those areas of the province where drought is not so prevalent, but most certainly in the Yorkton area of our province where people have a lot of flooding and a lot of water problems, and in that north area where they have so much drainage, the amounts of topsoil that are going to be washed away with the water will be just as significant in time as the topsoil that blows away in the southern part of the province where the winds and the dry conditions prevail.

And so those programs had to be restudied and not really reinvented, but they had to be redeveloped, reorganized, and put into place with a view of our modern-day technology and the kinds of equipment, the kinds of horticultural herbicides and those kinds of things that we had available to us.

A lot of people went, for example, to a no-till program where fields would be sprayed after a crop was harvested and they would never be worked up with an implement. And yet the weeds were kept totally dead for an entire year using different kinds of herbicides to attack whatever kind of weeds happened to grow.

And those kind of programs cost a lot of money to research and develop. It cost us a lot of money to make sure that we weren't going to destroy the micro-organisms in the soil with the herbicides and the chemicals that we were using. And that had to be done at an expense not to an individual farmer, but at an expense that would be shared by society because this was a benefit for all of society. But each individual farmer will have to employ it if it would work. But it couldn't be expected that an individual farmer would put up all of the money to do that.

So those programs were put through a vehicle like the agriculture diversification fund and there was the opportunity there for us to make this work and to test it out and to find out where we were going. We had to know if the constant use of chemicals year after year all year long would destroy the very micro-organisms that allow a crop to grow, for example, to begin with. Perhaps nothing would grow; perhaps it would turn our entire province into a desert.

And we couldn't take a chance on allowing that to happen without properly researching it, and that required the necessity of bringing in scientists from these different universities and all around the world to study these different kinds of approaches to soil conservation in drought years and in flooding conditions.

How much of this chemical would be ending up in our great lakes or down our rivers; how many of them would affect our fish; what would be killed; would the plankton die from the herbicides; would the food supply for our fishes be constantly damaged or for ever gone? We had to know those kind of things before we allowed these programs to continue on.

We had that vehicle in place where that research could be done through, and now we see that destroyed with no alternative in place, Mr. Speaker, and that is very frightening for those of us in the agricultural industry.

The minister must realize that there are so many things that are at stake here that he ought to perhaps reconsider. At least if he's not reconsidering the cancelling of his Bill, the introduction of a new corporation to take its place, or some vehicle so that farmers and people in agriculture will know that they are not being abandoned. I think they were very, very upset when they found out that millions of dollars that had been earmarked into this fund in fact seem to have evaporated in the last while. I think if they hadn't been upset by that it would be unusual, but most likely most farmers haven't even realized that that has happened.

So I think it's important that they know that this government has been playing tricks with their money and that something has happened to these dollars that were ear-tagged for things like micro-biofertilizers -- microbal biofertilizers, pardon me -- and those kinds of projects. This money was there for those kinds of projects to find out if in fact we could stimulate a new kind of approach to fertilizing our crops other than using commercial chemical fertilizers.

Commercial chemical fertilizers are good, and I have nothing to say except good things about Saskferco and those kinds of plants where they create work and provide the materials that we need to help to enhance the growth of our crops. However, if we have micro-organisms in the soil that can somehow be stimulated so that they will produce fertilizers for our crops in the soil without large expenditures of money and no chemicals being added and no artificial stimulants having to be provided that might in fact cause us some other pollution factors, then, Mr. Speaker, it's well worth at least examining.

I don't know of any farmer that could possibly go into this kind of a program on his own. There are few that would have the kind of scientific background, although there are some, I suppose. But they simply wouldn't have the time and the money even if they had the expertise. And so we needed a vehicle to do those kinds of programs, and I think there's a lot of work that needs to be done in this area.

This is a new frontier. A new approach to thinking about growing crops altogether, rather than to dump tons and tons on fertilizer on, as the people in Europe have done to the point where they've got their soil so saturated now with nitrogen fertilizer that all of their drinking water is now poisoned pretty near, and they've got a real serious problem.

And what we have here is the ability perhaps to produce fertilizers in a natural way, so that all of those effects wouldn't happen. Who's going to finance that? How are we going to provide a vehicle to provide that research for the agricultural industry?

Well the agriculture diversification fund was that vehicle. It is that building block that we need in order to provide these programs that can be so important, not just to the agriculture community, Mr. Speaker, but to all of the people in our world. Because if we continue to mess up the ground that we grow our food on, if we continue to poison it without any kind of an approach to trying to grow our food in a safe and reasonable way, we are certainly doomed on this planet as a species. Perhaps we will all end up with three heads and seven legs as time goes by and I don't think that any of us wants to see our future develop in that way.

And so we need these programs. We need to have this research done. We've got to have people that look into these things.

The organic production of food is all-important. And that was one of the important things that was studied through the agriculture diversification program, to see if we could go back to nature, as it were. Could we go back and start to grow grain crops on land without herbicides and without fertilizer from a chemical plant? Could we actually find micro-organisms that would attack the weeds? Could we actually find micro-organisms that would produce fertilizer in the soil? Could we actually produce enough grain on a piece of land without chemicals and still have it economically sustainable?

And those projects were taken on, and have proven very successful, I might add. And we have an awful lot of people that produce those kinds of foods that are classified as organic, and they sell them for an extraordinarily high price because people want to buy a product that they know doesn't have any contamination in it.

Animal care. A few years ago if you ran your cattle in a pasture and left them there all winter long, nobody gave a care and nobody noticed. The reality is though that animals have feelings, and somebody had to do some research to find out what kinds of stress each kind of animal could take, how much they should be allowed to handle before they started to suffer immense pain and stress.

And all kinds of research projects have been done through the auspices of this vehicle and this program, and I think we need to carry on with that sort of thing. I don't think that we're finished in this whole area of animal care and how best to provide for the animals that we as a society need to have and need to take advantage of in order to have a constant food supply.

As the populations of the world continue to increase, it will become ever more important for us to find out how we can produce more and more animals in more restricted spaces, and what limits we put on all of those kinds of restrictions for animals when we intensively produce them in mass production.

(1645)

And then we go on to those kinds of things where diversification really gets into a broad scope, Mr. Speaker, where most people could not afford to do it on their own. How about things like ostrich farming, for example? We hear about those kinds of things these days -- ostrich farming, game farming. We have all kinds of projects going on to produce meats that will have less cholesterol in them, for example. I'm not sure if the ostriches have extraordinary qualities other than that, but I'm sure that some of the ostrich ranchers will be letting me know.

But I know in the game farming, the deer and the elk that are produced have very low fat content in the meat. And it is proven by some folks that if you eat this kind of meat rather than the fatty meat, it is a lot healthier for everybody.

But who is going to put up the money to see if an elk could in fact be kept into a cage and raised as an animal, the same as pork and chickens are? Well you

had to have somebody that could do some research and that had some money available, and this was the vehicle that provided that.

I see no plan, I see no examples of where the government is coming from to provide an alternative to all of these good things that were embodied in this Crown corporation.

We have the cage rearing of rainbow trout, Mr. Speaker. How many people would have believed that you could set up a fish industry in prairie Saskatchewan? Who would ever have taken the chance to start to grow fish as a marketable product without some research and development done by somebody to show that it could in fact be done or how in fact it could be done successfully and effectively?

In reality we've all known that there are a few fish in our lakes, and I guess as many years back as you can know about or think back, folks would throw a net in and catch a few. But that wasn't the most economical way to do it because after a while nature's supply would run out. The best way to make money with fish, of course, would be to put a lot of them into a small body of water, feed them, and concentrate their growth the same as you would with chickens.

But nobody had ever thought about that, and so the agricultural development and research fund provided a vehicle so that those people that had the idea could get some funding and some ideas and some research and development. And they looked into foods that would work to feed these fish. They looked into how you had to get oxygen into the water and how much oxygen you had to supply in a restricted area for the number of fish that you had. Who knew that? Where was all of this expertise and knowledge before we had people that would research it and get into the business of doing it and providing the information so that others can do it?

Now I have a neighbour who grows fish in his granary, if you can imagine that. A man is growing fish in his granary. He has put a big tank in his granary and he has a big bubbler in there that runs from electricity that provides oxygen for the fish. He feeds those fish every day. And there was several thousands of fish growing in this man's granary last year. Can you imagine that? In prairie Saskatchewan we can now grow fish in a granary?

And it started off by having rainbow trout in a dugout, and now we are growing them in tanks inside of buildings on our farms. And it appears that it will be an economically profitable adventure that will certainly be called the kind of diversification that I'm sure our minister must be talking about when he says he wants to encourage diversification in agriculture in Saskatchewan.

And so it's not really a new idea. And I'm not saying that he shouldn't carry on in this direction even though it's not a new idea, but he shouldn't try to take all the credit for it. And he shouldn't try to destroy the programs that are in place that are already working.

We had new ideas for replacement heifer marketings. We had merino sheep research. We had blueberry and saskatoon berries. Here, Mr. Speaker, is a diversification that nobody really thought too much about. A few years ago my grandparents would load up in the old one-ton truck and they'd head off into the hills in June and July to pick berries. And it was a yearly little picnic and outing, but it had a very important bottom line to it. It was a necessity, because of course it was providing the fruits that would be canned for winter use back in those days.

Those berries of course grew wild in the coule pées and out in the hills. And all kinds of people talked about how great they were and how beautiful they were and how tasty they were. And yet when you went to the restaurant you couldn't buy a saskatoon berry pie. And you couldn't buy a wild blueberry pie either. But people talked about it.

So somebody had to decide, could these plants be grown as an agricultural, harvestable product? And what needed to be done was some research. Somebody had to take some of those plants and start to grow them and develop them and find out what it would take in order for those plants to become economically viable to be produced on a farm. That research, Mr. Speaker, didn't happen by itself. It happened because somebody put up the money, somebody had an idea, and somebody else had the ambition to do the work.

But those three components had to be put together through a vehicle, and the Agriculture Development Fund was the vehicle that did it. It provided people with the opportunity to find out how many kinds of saskatoon berries for example there are. There are different qualities, there are different sizes, there are different kinds of trees that grow in different places, and all of this had to be put together. And our horticulturists have done a phenomenal job.

You can now go to restaurants south of Saskatoon, buy saskatoon berry pie. You can buy chocolates with a saskatoon berry in the middle of them. I've eaten them both and they're very delicious. Probably one of the best attractions we'll have for tourism in our province is the development of these things that are native grown to our prairie region that people just simply don't get in the rest of the world. And it's unique. And all we have to do is continue with this diversification that has been going on for some time.

Whoever thought that we would be growing buffalo as a meat to be sold as hamburgers in the local downtown quick-outlet stores. And here we are in the middle of a revolution of production, of diversification, and the minister wants to destroy the very corporation, the very Crown corporation that has provided all of the research and all of the funding throughout all of these programs. And he's going to wipe it out and start something new and he's not going to tell us what it is, because his idea is so good that he doesn't want to share it with anybody. Or does he have one? That's the question I ask. Where is this great

idea?

It is so important, Mr. Speaker, that they understand what they're destroying that I'm even going to go on and mention a few more things that have been done in this great program and why the minister needs to continue. At least if he doesn't continue this program, to set one up in its place so that we don't lose all of this direction of diversification. Because diversification, Mr. Speaker, is not going to happen all by itself; it's going to happen through education, it's going to happen through all kinds of test programs, it's going to happen through all kinds of coordination. And you need that master body, that central focus point, something like the agriculture diversification fund to put this all together. And that was all put together in 1985 and formulated in 1989. And this minister says it's his new, great creation, and he's going to destroy it today by wiping out the entire legislation and the entire organized structure of diversification for agriculture and he's going to bring in his new, great plan, **Agriculture 2000** which, in effect, is GRIP (gross revenue insurance plan) no. 3, the one that everybody is supposed to be taken back with and enjoy so much.

I think it's going to cause a mini revolution out in the countryside because people are simply going to be totally, totally upset when they find out that the alternatives that this minister has come up with for them is to take all of the funding from agriculture, all of the funding from these programs, dump it into general revenue and do nothing to re-establish it or to set up the new direction except GRIP no. 3, which is nothing more than a job creation program for the accountants and an income-averaging program for farmers' own money which they can quite nicely do themselves.

We had production and marketing as a big factor of the program of the agriculture diversification fund, Mr. Speaker. Production and marketing are some of the most key, important elements in the agricultural sector today.

First of all, you have to produce the product and you have to produce it in large enough quantities to make it economically viable. You have to be able to do that. You have to have those production expertises in place so that you can get the product that you need to sell. But there's no sense having it produced if you don't have a plan to market it. Somebody has to find a place where this product, this new, diversified product, can be used.

I'll go back to the trout, Mr. Speaker. If the man with the granary full of trout doesn't have a market for the fish, why would he bother to grow them in a granary or in a dugout or any place else? He has to have a market. And there needed to be an awful lot of work done on marketing because we are a land-locked province where transportation is rather difficult and extremely expensive.

So we went into the area with agriculture development for finding markets for things like dried beans, lupins beans, pinto beans, all kinds of grass seed production. We've got forage sorghum that were checked out for markets, and we had orchard production even for fruit trees, as I mentioned -- the saskatoons and blueberries and all those good things.

The reality is that we found markets in the United States for grass seeds that brought in absolutely millions of dollars through the 1980s when the Americans realized they were going the wrong way with their agriculture and their agricultural production. They realized that drought was wiping out their lands and that they were blowing away, and they had to get back to a grass-intensive program to get those vulnerable soils back under some cover.

Where did this grass seed come from to cover most of that land? It came from Saskatchewan. Our Saskatchewan farmers produced it because the Agriculture Development Fund said boys, we've got a market out here. We found it for you, all you've got to do is go home and grow it, and here's how to do it. And the guys did it, and they did it very well, and they supplied that market and brought in literally millions of dollars of profit to the province of Saskatchewan in a diversification such as the Minister of Agriculture in this government will never dream of his best day.

Vegetable production, garlic production, savoury herbs -- I can't even hardly say the word; it almost made my mouth water, it's getting so close to supper time -- organic farming, grain corns, canola. We've got things here, Mr. Speaker, that need to be worked on, like peas and corn and canola. Those old crops that folks have known about for so long, and yet there's so much more that can be done.

How many people knew that it would be better to grow peas and canola in the same field rather than to have them in separate fields, until somebody decided one day that maybe we should mix the two together, or probably the seeder got mixed up, and they found out it worked. And they needed somebody to market the idea. They needed somebody to educate folks that this was a good way to do it. And there was no vehicle for that until we had the agricultural diversification fund. And now we had that in place and it was working very well.

And what we needed, Mr. Speaker, was to develop this idea. What we needed was to build on the building block we already had -- not to destroy it, not to tear it down, not to wipe it out without a new plan. What we had to do was work with what we had and make it better. We talked about wild rice -- whoever thought that wild rice, a plant that grows wild in our marshes up North, could actually become a viable crop. And now we have people actually building combines that will work on top of the water in order to harvest it.

Somebody had to put up the research for that; somebody had to do the work; somebody had to put up the money to find out how it was done. We have high-bush cranberry production. We've got labels designed so that you could mark the packages -- simple things like that that needed to be done so that we could find out what was in the bags after we

shipped them off, how best to do that.

We've got all kinds of gluten-free baking flour and bannock mix. Isn't that amazing, Mr. Speaker, that folks that built this country forgot that the natives that lived in this country before it was settled by the Europeans, they actually had to live on something and there were some things that were extremely good that they used and bannock, of course, was one of them.

And the recipes had almost been forgotten, people had just about forgotten how they used to live in those old days and what they used to make their products. So they managed to find some of these old recipes and put them back to the test to see if our modern-day corns and wheats and flours could be used to go back to using the old recipes of the natives to make things like bannock and those kinds of very tasty foods. And they found, of course, that it not only could be done but it was extremely a good product and people are now making it and using it and selling it and marketing it.

We've got things like sweet basil -- whoever thought you could make that a marketable crop in the province of Saskatchewan, Mr. Speaker. And here we are, growing all of these kinds of herbs because the research was done because somebody took the time and the money and put the effort into it, to see if we could get these new crops and these new diversified ideas to grow. All kinds of testing done on our red meats, to see if one was better than the other.

And this minister would tear it all down with one fell swoop of the pen. He would destroy all of these building blocks by destroying this Crown corporation that helps agriculture and all for the sake of making himself look important so that he can come up with GRIP no. 3, the thing that's going to probably destroy him in his office as the Minister of Agriculture. And if it doesn't, it most certainly should.

So what are the alternatives, Mr. Speaker? We come up with an idea . . .

The Speaker: -- Order. Will the member from Rosetown-Elrose and the member from Kindersley, if they have anything to say to each other, go behind the bar and then speak quietly. The member from Maple Creek has the floor and I wish the members would allow him to speak. But being 5 o'clock now . . .

ROYAL RECOMMENDATION

Hon. Mr. Lingenfelter: -- Mr. Speaker, I wish to announce to the Assembly the receipt of royal recommendation of Bill No. 17 which was not received in time to appear on the order paper. Therefore I beg to inform the Assembly that Her Honour the Lieutenant Governor, having been informed of the subject matter of Bill 17, An Act to amend The Municipal Employees' Superannuation Act, recommends it to the consideration of the Assembly.

The Speaker: -- It now being 5 o'clock, this House stands recessed until 7 p.m. this evening.

The Assembly recessed until 7 p.m.