

April 12, 1994

The Assembly met at 1:30 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.

Of citizens of the province of Saskatchewan humbly praying that your Hon. Assembly may be pleased to urge the government to change the regulations requiring the replacement of underground storage tanks.

### INTRODUCTION OF GUESTS

**Hon. Mr. Tchorzewski:** — Thank you, Mr. Speaker. I am honoured today to, through you, introduce to the Legislative Assembly some special guests who are with us today seated in your gallery. We have with us Commander Neil Sorsdahl, commanding officer of H.M.C.S. (Her Majesty's Canadian Ship) *Saskatchewan*, as well as Commander Paul Weber, commanding officer of H.M.C.S. *Queen* Naval Reserve in Regina.

Mr. Speaker, in 1963 H.M.C.S. *Saskatchewan*, a destroyer escort of the MacKenzie class, was commissioned and fulfilled an anti-submarine role in the Canadian fleet and in recent years was a training vessel for naval officers. In March 1994, this ship was retired from service.

Commander Neil Sorsdahl is a native of Saskatchewan — I believe from Moose Jaw originally — and he commanded the H.M.C.S. *Saskatchewan* from July 1992 until last month. He has returned to Saskatchewan to present "The Ship's Bell", a painting of the ship and her crest, which was done this morning, to Lieutenant Governor Sylvia Fedoruk, and the Premier, at a brief ceremony in the Legislative Library. And I am pleased to say in the House, Mr. Speaker, that "The Bell" will be prominently displayed here in the Legislative Assembly as part of the history of H.M.C.S. *Saskatchewan* and a tribute to the service that Saskatchewan sailors have served in our navy.

I just want to take the time very briefly, Mr. Speaker, to point out that Saskatchewan has played a very significant role in the military armed forces in Canada, and I found it very interesting when the commander pointed out to us this morning that, in the Second World War, 40 per cent of the sailors in the Canadian navy were from the prairie provinces.

Now I don't think it was because they were trying to escape the drought, I think it was because of the kind of dedicated service that people from the prairies believe they should pay in the service of Canada.

So I would like to ask members of the House, Mr.

Speaker, to join me in welcoming Commander Sorsdahl to this Legislative Assembly and to Saskatchewan again.

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

**Hon. Mr. Tchorzewski:** — And while I'm on my feet, Mr. Speaker, I would also like to take this opportunity to introduce to you and through you to the members of the Assembly seven visitors from South Africa, who are also seated in your gallery and they are: Ms. Dawn Joseph, Mr. Dumisani Dlamine, Mr. Spector Mtolo, Mr. Max Makhubalo, Mrs. Markho Njobe, Mr. Kenneth Mathews, and Dr. Chhimenlal Lalla.

As you know, Mr. Speaker, the Government of Saskatchewan recently hosted the ANC (African National Congress) candidate for the premier of the Orange Free State in South Africa, Mr. Patrick Lekota.

In the continuing effort to provide a useful example of government in action, Saskatchewan is hosting these eight South African civil servants to be a part of a familiarization program called the public service policy project established in South Africa about a year ago.

The program participants have been identified by the ANC as candidates for senior management positions within the civil service at either the national or the provincial level.

Mr. Speaker, Saskatchewan is very pleased to welcome the South African delegation as our guests and honoured to have been chosen as one of the participating provinces in this program. I believe that this province and the Government of Saskatchewan can provide our South African guests with a unique perspective and insight into the workings of our government.

And I would at this time, Mr. Speaker, again like to ask the members of the Assembly to join me in extending a warm welcome to our guests who are here from South Africa.

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

**Mrs. Bergman:** — Thank you, Mr. Speaker. I'd like to extend my welcome as well on behalf of the Liberal caucus to Commander Sorsdahl and Commander Weber. I had a most enjoyable evening on Saturday night at the mess dinner in celebration of the paying-off of the *Saskatchewan*. And I'd ask the members of the Assembly to join me again in welcoming them today.

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

**Hon. Mr. Shillington:** — Yes, I also want to draw the attention of the Chamber to another member of the armed forces reserve, Malcolm French, who's with our distinguished visitors. Please stand to be recognized.

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

**Mr. Knezacek:** — Thank you, Mr. Speaker. I was going to add my welcome to Commander Sorsdahl and Commander Weber and point out that Acting Sub-Lieutenant Malcolm French is in your gallery. Malcolm lived in Esterhazy in the mid-'80s and I got to know him quite well, and I wish all members would welcome Malcolm and the rest of the group to the Assembly.

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

## STATEMENTS BY MEMBERS

### Nipawin Trade Fair and Show

**Mr. Keeping:** — Mr. Speaker, in Nipawin this weekend, the Nipawin Lions Club is sponsoring the 11th annual trade fair and show. This is one that ought not to be missed. For openers, there are over 100 exhibitors including a cheetah, and I plan to be racing the cheetah on Saturday and I'm going to give it a head start.

Mr. Speaker, the overall theme of this show is diversification. On Friday and Saturday there will be seminars held on a number of agri-food industries and business. These seminars are going to be conducted by private entrepreneurs, by experts from the federal and provincial governments, and by farmers.

There are many subjects, from ostrich production to wild boar production, organic food production, maple syrup production, raising chinchilla and bison. There's really something for everybody. As well, there are over 100 exhibitors displaying their wares and produce as I've already mentioned.

Mr. Speaker, the Lions Club will be collecting old eye glasses for the Lion's eye bank depot. If for no other reason, this is a reason worthy enough to attend.

This kind of a show put on by the people of Nipawin for the people of the north-east part of the province has been very successful now for 10 years. And I expect it will be again this year. And it's evidence that people in north-eastern Saskatchewan are vibrant, progressive, and active.

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

## ORAL QUESTIONS

### Labour Legislation

**Mr. Goohsen:** — My question today is to the Minister of Labour. Minister, your new anti-business, anti-job-creation labour legislation is going to drive more employers and more jobs out of this province at a time when our economy is already in a disastrous downward spiral. There are so many things wrong with this legislation, I hardly know where to begin.

Let's start with the provisions to restrict the contracting out of services by the provincial government,

municipal governments, universities, health boards, and school boards. First you download on the other levels of government, and then you restrict their ability to reduce their costs. This can only result in higher taxes, more job losses in municipalities, health boards, and school boards.

Mr. Minister, why are you interfering in the autonomy of our local governments? How much is this interference going to cost the local taxpayers, and how many more jobs will be lost as a result of this legislation?

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

**Hon. Mr. Shillington:** — Thank you, Mr. Speaker. The member for Maple Creek will be relieved to know that we're committing none of the sins which gave him such concern. We are not prohibiting governments from contracting out. Whether that is good or bad is not a matter that would be decided in this legislation.

The legislation does provide that where the employees of a place of work have decided that they want to be a part of a union, that should be respected, and that the rights should follow the sale of the business or the contracting out.

Having said that, there is no prohibition against any level of government contracting out. So the member's mind may rest at ease.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. Mr. Minister, one of the reasons the NDP (New Democratic Party) gave for its health district boards was to let the local boards have the opportunity to make its own spending decisions. Now you are severely restricting that opportunity by allowing your hand-picked political board dictate which services can and cannot be contracted out.

Mr. Minister, the NDP is already wasting hundreds of thousands of dollars paying Garf Stevenson \$500 a day to delay the health board elections; now you're going to force local boards to spend thousands more unnecessarily by not allowing them to contract out services. And not one cent of this money is going to the actual provision for health care services.

Mr. Minister, why is it necessary to restrict health boards and other local government bodies in this manner? Why can't you just let them make their own decisions in this process?

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

**Hon. Mr. Shillington:** — Thank you, Mr. Speaker. The kindest thing I can say about the member from Maple Creek is that he's reading his question without thinking about it and without listening to the answer. In fact probably a more accurate interpretation of the member's conduct is that it is an intentional campaign of misrepresentation to divide and conquer people.

The members did that when they were in government and they're doing that in opposition. It didn't work in government, they got kicked out of government, and they're in the process of being kicked out of opposition for the same tactics. All I can say to the members opposite is, at some point in the future you may want to give some thought to your tactics. They didn't work in government, they're not working in opposition, and I'm not quite sure where you think they're going to work.

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

**Mr. Swenson:** — Thank you, Mr. Speaker, my question is also to the Minister of Labour. Mr. Minister, there are 12,000 fewer jobs in this province than when your government took office in '91. That's an undisputed fact. There are 25,000 more people on welfare since your government took office. That's an undisputed fact. The taxes are up; utility rates are up. Those are all undisputed facts, Mr. Minister.

Now the question is: why would you want to put a death grip on businesses in this province by bringing in two labour Bills, Mr. Minister, which are only going to make the situation worse?

Mr. Minister, the number one priority, as your Minister of Finance stated in her budget speech, was to start employing people in this province. Mr. Minister, you haven't listened to the people affected by this legislation. When are you going to start listening, and when will you pull these two Bills to make sure that Saskatchewan people can be employed and get off the welfare rolls? When are going to do that?

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

**Hon. Mr. Shillington:** — Mr. Speaker, all of the facts given by the Leader of the Opposition are in dispute. Mr. Speaker, when the Disraeli government in 1844 abolished child labour, the Conservatives said, the sky is going to fall in. When the Douglas government brought in medicare in 1962, the Conservatives said the sky is going to fall in. Last year when we brought in occupational health and safety and workers' compensation, the Conservatives said the sky is going to fall in. Now that we're bringing in the trade union legislation, you said the sky is going to fall in.

You were wrong the first time, you're wrong the second time, you're wrong the third time, and you're going to be wrong the fourth time.

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

**Mr. Swenson:** — Mr. Speaker, the minister can talk all the ancient history he wants in here. The undisputed facts are, sir, that welfare rolls are up; jobs are down; people are leaving this province, Mr. Minister. Why don't you settle the situation today? You show us one place in this legislation in either Bill where there is going to be an increase in employment in this province, Mr. Minister. Show me one area where your legislation is going to create jobs, where your

legislation is going to make Saskatchewan business more competitive with the people around them. Can you do that, Mr. Minister? Show us one place.

**Hon. Mr. Shillington:** — Thank you, Mr. Speaker. I don't know whether the members of the Conservative caucus are going to make a seat for Chicken Little or not. She certainly belongs in that caucus.

Mr. Speaker, we take the position that progressive labour laws are not the end of civilization. Indeed they are good for this province and it's an essential part of economic restructuring. These labour laws provide a framework within which business and labour may work together for what at the end of the day is a common goal.

I know members opposite have an interest in dividing and conquering. You may have a narrow political interest in doing that, but that is not in the best interests of the public of Saskatchewan. This legislation is. It provides a framework within which they may work together. And I suggest members opposite cease the tactics that have brought them to near ruin.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. Question to the same minister. Mr. Minister, as you put this legislation together I'm sure that your department did some analysis of its effect on jobs in this province. People are telling this opposition that businesses will be lost, that families will leave, and that workers in this province will be forced onto UI (Unemployment Insurance) and the welfare rolls.

Mr. Minister, prove us wrong. Table the analysis that your department did that says that that will not be the case. Do it, sir.

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

**Hon. Mr. Shillington:** — I'll be more than happy to do that. Unlike members opposite, the government deals in facts and deals in hard analysis. We have done an analysis . . . we've had an analysis done by Price Waterhouse which suggests there is virtually no cost to this legislation. I'll table that.

And then I will expect the Leader of the Opposition to table his study which suggests that civilization is going to grind to a dead halt the day this is passed.

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

### Utility Rate Increases

**Mr. Martens:** — Thank you, Mr. Speaker. My question is to the Minister of Finance.

Madam Minister, yesterday your government issued annual reports for SaskTel, SaskEnergy, and SaskPower. These reports confirm what we have known for a long time — that you are raising utility rates, taking the massive profits that they generate and transferring them into general revenue. That's called

taxation, Madam Minister, and so your dramatic pledge of no new taxes rings pretty hollow under those kinds of promises that you've made. On average, Saskatchewan residents are going to pay another \$130 a year more just for their utilities.

Madam Minister, given that fact, that it is clearly a tax and it's demonstrated that it's clearly a tax, would you not agree that this legislature and the Saskatchewan public should have the right to provide a reason for grievance before supply for those taxes that you raised in utility rates? Would you please answer that, Madam Minister?

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

**Hon. Mr. Penner:** — Thank you, Mr. Speaker. It is interesting to have the opposition keep harping on the increase in taxes because of utility rates.

I want to ask the question to the members opposite — maybe some day they'll answer this question — as when they're going to . . . why do they not consider taxes . . . when other provinces that have private utilities raise their rates, why are those not taxes? Why are the only ones taxes when the public utilities raise them?

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

**Mr. Martens:** — My question is to the Minister of Finance, Mr. Speaker. The Provincial Auditor has demonstrated that your government is moving more and more of your financial activity to the Crown sector. Every sector that they move from here in the Legislative Assembly to the Crown sector allows less and less public scrutiny of those monies. In fact, nearly half of the government's total revenues and expenditures are conducted through SaskTel, SaskEnergy, SaskPower, and SGI, and your family of Crown corporations. It's not a coincidence that the last round of tax increases have come from the utilities.

And, Madam Minister, my question to you is this — now is the time to act — will you do as the auditor has recommended and bring all government revenues and expenditures before this Assembly so that MLAs (Member of the Legislative Assembly) and the public can debate how and why tax dollars are being spent? Will you do that, Madam Minister?

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

**Hon. Ms. MacKinnon:** — Mr. Speaker, I'd be pleased to answer that question. And I do say again, you have to have a sense of humour when you hear the Conservative Party talking about openness and accountability in government. But I do have a sense of humour.

I'm not sure if the opposition read the same auditor's report that I did or that the press did. I notice the press said:

Government accountability has come a long

way in the last couple of years . . .

The qualification the auditor has is on timing, and he is quite explicit about it. He says:

"As provincial auditor, I always think that they're moving too slowly," . . .

And that's his job. His job is to edge us on more quickly.

Another part of the story says:

The report paints a largely positive view of government efforts to clean up its financial reporting . . .

So I think first of all, the context is, the auditor's comments about our practices were essentially positive. He dealt with the issue of the Crowns. Quite frankly, we had him at a meeting yesterday, and it's not clear to us that he's talking about the Crowns coming through this legislature in estimates the way a line department would.

But I'll make this one commitment: what we do share with the auditor is the commitment to ongoing reform, the commitment to continue our openness and accountability in government.

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

**Mr. Martens:** — Mr. Speaker, and Madam Minister, it seems you only take part of the auditor's recommendations, and those that are politically expedient to you and to your government. When he recommended you take a one-time write-off for certain Crowns, you did that. You acted immediately to do that. When he recommended changing accounting procedures, you immediately did that as well. There was no concern about the bad perception of debt increases, Madam Minister, at that time and that is a fact, Madam Minister.

Madam Minister, the auditor has recommended that Crown Investments Corporation should ensure that government's objectives for Crown corporations are clearly defined and presented before the Assembly for scrutiny. Will you do that, Madam Minister? Will you provide us with details about budgets in the Crown corporations and let us talk about them in this Assembly so that we can review at least 45 per cent of the government's expenditures and revenues in this fiscal year?

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

**Hon. Ms. MacKinnon:** — Mr. Speaker, a couple of points. First of all, we have to remember the auditor is talking about the year 1992. He's talking about 1992. This is what he said about 1992, by the way — in 1992, the government took an important step forward by preparing summary financial statements. The statements provided for the first time in Saskatchewan's history, a complete accounting of the finances of the government.

Now what I would say to the member opposite is some of the things that he says about openness in the Crowns as being problems in 1992, we've already fixed. For example, when the members opposite were in power, it was possible and it occurred, that a subsidiary of a Crown corporation could be created. It could lose taxpayers' dollars and the taxpayers didn't even have to be aware that that subsidiary existed.

The auditor mentions that in his 1992 report. In 1993, this government came in with The Crown Corporations Act, which changed that practice so that from now on it would be illegal for any government to act the way the members opposite have acted.

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

#### Saskatchewan Tax Rates

**Ms. Haverstock:** — Thank you, Mr. Speaker. My questions as well are for the Minister of Finance today.

I received a call from a Saskatchewan taxpayer, Madam Minister, who was in the process of filing his annual tax return. And this gentleman did a comparison to see how much tax he would have paid in Alberta on exactly the same income.

To his shock, he found that his taxes would have been \$3,000 lower than he will have to pay in Saskatchewan. He believes that he would have more money in his pocket even after paying health care premiums and car insurance premiums and so forth, particularly in view of the fact that there's no provincial sales tax there.

Madam Minister, this taxpayer wants to know from you whether your department has examined the Saskatchewan taxation system to make the rates, the tax rates, more competitive. And can you tell us, please, what conclusions you've drawn.

**Hon. Ms. MacKinnon:** — Mr. Speaker, I would say to the member opposite that once again she's doing what the Liberal Party does in this legislature — she's trying to have it both ways.

She wants Saskatchewan people to have Alberta tax rates. Never mind the fact that they'll be paying, the average family will be paying, about \$800 more a year in health care premiums; never mind they'll be paying to send their children to kindergarten. But she wants competitive tax rates with Alberta, yet she, I'm sure, wants the quality of life that we have here. Is she talking about massive cuts in education or health care?

And she said in her last election in 1991, she was absolutely committed to balancing the budget of the province. It's time the Liberal Party was accountable. They can't have Alberta tax rates, Saskatchewan quality of life, and balance the books. They too have to choose.

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

**Ms. Haverstock:** — Thank you, Mr. Speaker. Madam Minister, there's one party that likes to have it both ways, and it's your own. Your own paper, Madam Minister, in 1991 on tax fairness called utility rates a tax. Now in government you have exactly the opposite point of view.

On April 1, 1994, the deficit reduction surtax was jumping to 10 per cent, and this is a major blow to the taxpayers of Saskatchewan. For an average income earner making \$30,000 a year, Madam Minister, the government now collects \$261 in deficit reduction surtax alone.

It's interesting to note that the amount collected from this tax doesn't even appear as a distinct item in your budget, nor is there any obligation on your part at all in legislation to direct that money to deficit reduction.

Madam Minister, what guarantee do the people of this province have that all of the money collected from the surtax will be applied directly to the deficit this year?

**Hon. Ms. MacKinnon:** — Mr. Speaker, to the member opposite, first of all I want to clarify one point. The deficit surtax did not go up. In 1992 it was a 10 per cent tax but because it came in July, it was only in for half a year — the federal government requires you to put it on the form as 5 per cent. So it was always a 10 per cent tax.

I would add at the other end, I would add at the other end that the child tax reduction which assists low-income families also went up — went up 50 per cent in the first year, '92, and went up the full amount in the second year, from \$200 to \$250 a year. Okay, so I'd like to make that point.

Now where did the money go? Where has the member been? The deficit in this province has gone from \$842 million to \$294 million, and it's going down to \$189 million. Where has the member been? That's where the deficit surtax money has gone, to reduce the deficit. Saskatchewan now has the lowest per capita deficit of any province in Canada and it's because we've been using this money for that purpose.

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

**Ms. Haverstock:** — Thank you, Mr. Speaker. Madam Minister, the problem is absolutely nobody trusts you in the province of Saskatchewan. You have increased and allowed rate increases on every single Saskatchewan utility that exists . . .

**The Speaker:** — Order. Order, order. Will the members please come to order.

**Ms. Haverstock:** — Thank you, Mr. Speaker. Madam Minister, you have allowed increases in every single Saskatchewan utility, multiple rate hikes in some of the cases of the Crowns. The Provincial Auditor's report shows that the Crowns made \$285.5 million profit in 1993, but the amount of monies that have

been applied to the deficit was only \$60 million, and that leaves \$180 million in retained earnings with absolutely no explanation from your government as to how these profits are earmarked or why further increases are needed.

Madam Minister, how could your government go to the citizens of our province over and over again, families and business, and yes, seniors and others, with its hand out for more money when you have no clear-cut commitment to apply these extra revenues directly to reducing the debt of the Crowns and the debt of the province?

**Hon. Ms. MacKinnon:** — Mr. Speaker, first of all, in terms of who trusts us in the province, the auditor trusts us. The auditor said we have gone from having among the weakest financial statements in Canada to among the strongest. So we've been open and accountable.

Again I'd like to correct the member's facts. Last year the money that went from the Crowns across to the government was \$4.8 million — a pittance. She asked, where did the money go from the rate increases? Again I ask, where has the member been? It went to all of the bad deals that we inherited from the members opposite, write-offs in SEDCO (Saskatchewan Economic Development Corporation), STC (Saskatchewan Transportation Company), NewGrade, the other upgrader. It went to Meadow Lake. It went to finance and keep afloat the megaprojects which we inherited from the members opposite.

Again the member has to answer some questions herself. What would she do? Would she default on all those commitments? If not, where would she find the money? We have found the money from the Crowns. Where would she find the money? You have one of two choices: default and not meet your commitments, or pay for the deals that we inherited.

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

**Ms. Haverstock:** — Thank you, Mr. Speaker. Madam Minister, absolutely any kind of governing would have been an improvement over the ineptitude of the previous administration. You made a conscious decision to add to the burden of . . .

**The Speaker:** — Order, order. Will the government members please come to order.

**Ms. Haverstock:** — Thank you, Mr. Speaker. You have made a conscious decision to add to the burden of Saskatchewan taxpayers by having a deficit tax with no legislation in place to guarantee that it would go to the deficit — no guarantee — and that is fact.

You increased utility rates on the pretence that the Crowns have large debts, but you have made no commitment to direct every dime of those revenues toward those debts. And you chose, Madam Minister, you chose to borrow money you didn't have to borrow to finance the deficit because you failed to put

these profits to work by paying larger dividends from the Crowns.

Will you please explain your logic to the people of Saskatchewan before you ask them for one more dime, which seems to be the case every two or three months when it comes to utilities in this province.

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

**Hon. Ms. MacKinnon:** — Mr. Speaker, it's hard to understand part of what the member's saying here, but let me take a stab. I'm not sure why the people of Saskatchewan would require legislation showing them that the deficit surtax is going to the deficit, when (a) they can look at the books if they want to and see that's where they're going; or more important, they can look in their newspapers and say the deficit has gone from 842 million down to 294 million. Where did that money come from? I bet it came from the deficit surtax. How else can you reduce the deficit?

I would also say to the member opposite, she has to answer some questions herself. It's fine to say, now those megaprojects, let's forget about them; we'll not talk about the megaprojects, we'll not talk about the fact that each and every year they suck away at tax dollars. They're there, we didn't create them; the members opposite did. And again she has to make choices. Is she going to default on the deals or is she going to pay the required money to stabilize them, to take the time to stabilize them?

This government, unlike the Liberal one in Ottawa, has a long-term plan for the finances of this province; and we're making progress and we can show it to the people of Saskatchewan.

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

#### Payment for Executive Council Contract

**Mr. Britton:** — Thank you, Mr. Speaker. Mr. Speaker, I have a question for the Premier. Mr. Premier, your government has roundly criticized the former administration having Crown corporations and departments pay for services that cabinet ministers and the Executive Council received. And that's rightly so.

However the Provincial Auditor has discovered that you have not learned from our mistakes. He reports that the Crown Investments Corporation paid \$82,000 for a consulting contract but the Executive Council received the services. That's your office, Mr. Premier.

Mr. Premier, very simply, what was the contract for; who received the contract; and why was it not paid out of your office?

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

**Hon. Ms. MacKinnon:** — Mr. Speaker, I would be most pleased to answer that question, and I think the "oops" is going to be on that side of the House. This particular item, no. 72 in the auditor's report, chapter

8, was a contract signed by the previous administration before we took office.

This particular contract was terminated by this government two weeks after taking office, November 14, 1991. Our commitment to open and honest government started very early in our term.

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

**The Speaker:** — Order.

## INTRODUCTION OF BILLS

### Bill No. 55 — An Act to amend The Saskatchewan Farm Security Act

**Mr. McPherson:** — Thank you, Mr. Speaker. I move that a Bill to amend The Saskatchewan Farm Security Act be now introduced and now read the first time.

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

**The Speaker:** — Why is the member on her feet?

**Ms. Lorje:** — To ask leave, Mr. Speaker, to revert to statements by members.

Leave not granted.

**The Speaker:** — Order, order. Well if members would like to take a recess for five minutes so they can get this, I think we can arrange for that, but you set the rules and I wish you would abide by the rules.

## ORDERS OF THE DAY

## WRITTEN QUESTIONS

**Hon. Mr. Lingenfelter:** — In regard to no. 56, I hereby table a response.

**The Speaker:** — The answer for . . . Will the members please come to order. The answer for question 56 has been tabled.

## MOTION UNDER RULE 16

### Protection of Wildlife

**Mr. Scott:** — Thank you very much, Mr. Speaker. I rise today with great pleasure to deal with the motion before the Assembly which I will move at the conclusion of my remarks, which reads:

That this Assembly support the work of the Minister of Environment and Resource Management, his department, and conservation organizations in their efforts to achieve the goals of the World Wildlife Fund's action plan for endangered spaces and go on record during National Wildlife Week as being in favour of protecting our province's natural heritage.

Mr. Speaker, in a span of 150 years we have seen the face of southern Saskatchewan go from one of the most productive and diverse ecosystems in the world to one of the most modified landscapes in North America.

If we go back 150 years to the fur trade days we saw a massive assault on our fur-bearing animals, and species like the beaver were eliminated from much of southern Saskatchewan.

Market hunting brought the 60 million bison in North America to the brink of extinction with farmers protecting a handful of remnant animals which they were able to corral and capture, and thus we still have the plains bison with us.

The passenger pigeon darkened the skies with their large flocks. The last passenger pigeon died in a Cincinnati zoo in 1914. And many other species such as the whooping crane were brought to the brink of extinction, and others like the plains grizzly and buffalo wolf were in fact exterminated.

In 1887 people of the day recognized the importance of southern Saskatchewan for wildlife and they created the Last Mountain Lake migratory bird sanctuary, the first of its kind in North America. And to this day this area is important to wildlife.

Our forefathers in 1916 brought in the Migratory Birds Convention Act in conjunction with the Canadian, U.S. (United States), and Mexican governments. And this brought an end to the market hunting and provided protection for migratory birds, many of which had been reduced to remnant populations. It was certainly a landmark achievement in our conservation history here.

Species continued to decline. In 1922 the last whooping crane nest in Saskatchewan was located in the Kindersley-Kerrobert area. In 1941 the whooping crane population reached an all-time low of 21 birds, and, however, through decades of work and conservation and public support, we now have 270 whooping cranes in the world.

In 1929 hunters and sportsmen got together to form the Saskatchewan Wildlife Federation with their main interest in preserving species, putting on seasons and bag limits because they too realized that our wildlife could not sustain unlimited hunting.

Ducks Unlimited was formed in 1937 in response to the drought which hit North America, and with the production of wetlands, this was the first real habitat conservation in North America.

The Saskatchewan Natural History Society, consisting of naturalists, outdoorsmen, formed in the early 1940s. And they focused on all species of life including non-game and plants.

At the same time unfortunately the governments of the day decided to cancel thousands of acres of migratory bird sanctuaries throughout different parts of

Saskatchewan, including Redberry Lake, Old Wives Lake and other areas. As we look back today it would have been great if these areas could have been maintained.

By the mid-1950s our duck population had reached a high of 20 million birds returning to Saskatchewan in the spring. Our white-tailed deer population peaked around 1960 at 500,000 animals.

However the 1960s and '70s saw an assault on our remaining wildlife habitat unmatched prior to that time. For an example, in the five-year period from 1976 to '81, we lost 2 million acres of habitat, which works out to over a thousand acres a day or 44 acres an hour, day and night. And as a result, many of the species were on the decline.

Knowing this, various groups as well as government focused on habitat protection programs. The wildlife development fund was created at the request of the Wildlife Federation. It meant that a portion of hunters' licence fees were used by government to purchase prime habitat. And as a result of this program, first implemented in 1970, we now have a 135,000 acres of land protected throughout the province through the wildlife development fund.

The Saskatchewan habitat program, Saskatchewan Wildlife Federation habitat programs, have been equally successful. The federation holds title to 67,000 acres of prime habitat, and through cooperation with landowners, recognizing landowners who protect habitat on their private land and through gentlemen's agreements, another 340,000 acres are temporarily secured, as the landowners do appreciate the wildlife as well.

Ducks Unlimited has secured hundreds of thousands of acres of water areas as well as important upland nesting cover surrounding these wetlands. So their achievements are commendable.

In 1980 the various NGOs (non-governmental organizations) along with government entered an agreement to form the heritage marsh program to protect significant wetlands in the province such as Foam Lake, Ponass Lake, and Chaplin Lake. These areas are not only important to waterfowl but endangered species such as piping plovers and whooping cranes as well.

(1415)

In 1986 Saskatchewan played a very key role in the North American waterfowl management plan, which was an 11th hour effort to reverse the continual decline of our migratory waterfowl between the U.S. and Canada, and Saskatchewan, as I mentioned, played a key role. In fact the program was launched right here in Saskatchewan. Billions of dollars are being spent through the North American waterfowl plan throughout North America over the next 10 to 15 years.

One of the key programs implemented by the

previous government which we certainly want to recognize is The Wildlife Habitat Protection Act, which is basically preventing the sale or breaking and clearing of Crown land used for grazing. Grazing can continue on these lands and wildlife can coexist with the grazing as long as a habitat is there. This administration has added another million or so acres to the Act and we now have three and a half million acres protected under this program, and the nice thing about it, it did not cost taxpayers any money.

As we come to the 1990s, Mr. Speaker, instead of 20 million ducks returning to the province each year, we have between three and four million — an 80 per cent decline. Our white-tailed deer population is about half of what it was 30 years ago. Many experts list as many as 20 per cent of our native plants as rare and endangered and disappearing at an ever-increasing rate.

Our wetlands, very important to wildlife. In Saskatchewan, we've lost over 40 per cent . . . close to 50 per cent of our original wetlands have been lost through drainage and filling. Our Grasslands and Aspen Parkland ecoregions in the province, we've lost 80 per cent — 20 per cent remains.

In a nutshell, Saskatchewan and the prairie provinces are home to more rare and endangered species in Canada than any other region of the country, which is not a very proud fact.

Conservation efforts were originally focused on specific species such as the whooping crane. Now as we become more informed ourselves, we realize we must focus on ecosystems and habitat. For an example, without wetlands we will not have whooping cranes or piping plovers. Without old-growth forest we will not have cape may warblers, white-wing cross bills and woodland caribou. It is imperative that we protect ecosystems. And in Saskatchewan, right here at home, there are hundreds, perhaps thousands, of species of life which we have not even identified yet. And by protecting the ecosystems, we are able to ensure that these species, even though we don't know what they are or what good they are, that they will still survive.

With ecoregions and habitat deemed essential for species survival, Saskatchewan has identified 11 ecoregions, along with a number of subregions within the region. And I would like to provide a list of the regions and the percentage of the regions that we have succeeded in protecting today.

Starting at the northern end of the province: Tazin Lake Upland, a very large area, over a million hectares — we have not protected a single acre; the Selwyn Lake Upland, also in the far north — no protection at all; the Athabasca Plain, 2.6 per cent protected; Churchill River Upland, 3.01 per cent; the Mid Boreal Uplands, which has a number of subregions, we have protected about 10 per cent; the Mid Boreal Lowland, we've protected one-half of a per cent; the Boreal Transition zone, we've protected 9 per cent; the Aspen Parkland region, four and a half per cent; Moist



Mixed Grassland, just over 5 per cent; Mixed Grassland, 15 per cent; and the Cypress Hills Upland, 19 per cent.

In total, we've protected six and a half per cent of our ecological regions, and many of these are as very marginal protection, such as PFRA (Prairie Farm Rehabilitation Administration) community pastures.

Our record of achievements is commendable, but much remains to be done in identifying and protecting natural habitat in Saskatchewan. It is universally accepted that we need a minimum of 12 per cent of an ecological area preserved in order to ensure a species diversity and survival. We have achieved the 12 per cent goal in 2 of our 11 ecoregions.

Steps should be taken immediately to identify and secure key natural regions in the northern part of the province for protection. In the southern part of the province, it is more difficult and costly to secure natural areas, as 85 per cent of the land is privately owned. However, the success of the Saskatchewan Wildlife Federation's volunteer programs indicates that farmers and landowners are concerned about wildlife and will do whatever they can to protect natural areas on their land.

What we need to do is redirect agriculture policies such as quotas and assistance based on cultivated acres, to reverse them, to reward instead of penalize landowners who protect habitat on their land. Landowners are key to the survival of wildlife and habitat in southern Saskatchewan.

In some areas of the southern part of the province, such as the Regina Plains, over 99 per cent of the habitat is gone. No one saw fit to protect one quarter section of land on the Regina Plains.

We tend to focus our attentions on far-away places and it's easier to point a finger. We all have heard about the rain forests in South America. Well we continue to lose the rain forests at a rate the size of a football field every second, but still over half of the rain forests do survive. And yet only 20 per cent of southern Saskatchewan remains in a natural state.

Costa Rica, a small country in Central America the size of Saskatchewan south of the Trans-Canada Highway, saw fit to protect 25 per cent of its area, which really puts us to shame.

Some people question the need to preserve species. We continue to lose dozens of species every day, and it's a rate faster than at any time since the extinction of the dinosaurs.

Perhaps only 25 to 50 per cent of the species on the earth have been identified. Fifty per cent of human drugs come from plants, so it's essential that we do protect our species for our survival depends upon it. An example is the rosy periwinkle, a rare plant in the island of Madagascar, that has properties capable of curing leukemia in people.

In closing, Saskatchewan has been a leader in wildlife and habitat conservation efforts. We must continue to work together in a cooperative spirit with industry, NGOs, and government pooling their resources and expertise to secure adequate, representative samples of our great natural heritage for the benefit of ourselves as well as our children and future generations.

For in the end, Mr. Speaker, the survival of mankind depends upon the survival of other life-forms on this fragile planet. And I think that Saskatchewan and the people here can do a lot more and are looking forward to doing a lot more in protecting natural ecoregions in our province. Thank you very much.

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

**Mr. Scott:** — Mr. Speaker, I move:

That this Assembly support the work of the Minister of the Environment and Resource Management, his department, and conservation organizations in their efforts to achieve the goals of The World Wildlife Fund's action plan for endangered spaces and go on record during National Wildlife Week as being in favour of protecting our province's natural heritage.

And this is seconded by the member from Saskatoon Sutherland-University. Thank you.

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

**Mr. Koenker:** — Thank you, Mr. Speaker. It's a pleasure to speak to this motion today, all the more so since I believe it was in 1989 that I had the opportunity as a member of this legislature to sign the charter of the world wildlife federation, the Canadian Wilderness Charter, with the goal to protecting 12 per cent of our land here in Saskatchewan by the year 2000. And in fact I was presented by Monte Hummel at the time with copy no. 2,587 of their endangered species book for Canada.

What this endangered spaces campaign is all about is protecting wilderness in order to enhance the protection of individual species. The old way of doing things was to protect an endangered species of plant or an endangered species of animal.

In the last number of years though it's become increasingly clearer to scientists and the public at large that this is really an impossible task: to protect one simple species. As important as that may be, the costs are just prohibitive. And so the way of the future, nature's way incidentally, has been to emphasize the protection of spaces, to look at ecosystems rather than individual species. And here in Saskatchewan we have ecosystems that are comprised of the specific relationships of climate and soil and vegetation that then determine what kinds of animal activity are in these areas.

So it's in preserving these unique areas of the province

and representative areas of the province, given the combinations of climate, soil, and vegetation, that we can begin to protect individual species.

Now I was at a forestry conference last month in Saskatoon, sponsored by SOS Elms organization. And in that presentation a speaker from British Columbia, Herb Hammond, the forestry expert, estimated that there are now 10 to 80 million species of life on this planet earth — 10 to 80 million. That's quite a range of species, and scientists aren't sure precisely how many there are, because so far they've only identified about a million or so of the species on earth.

The real, hidden dimension to all of this is in much of the insect species and microbial species of life in the soil. And these are vital links to larger life-forms, as Mr. Hammond explained, particularly in the forest, but also in the prairie grasslands. So it's only in preserving spaces and these very, very diverse and even microbial species forms that we can really realistically preserve species themselves, larger species.

And so part of the world wildlife campaign is to focus on the preservation of land and endangered spaces before they are lost for ever. We in Canada have a wonderful opportunity . . . in Saskatchewan we have a wonderful opportunity to complete this work.

In 1992 we introduced the first wilderness park into our province, the Athabasca Sand Dunes Park. Last year we did the Clearwater River wilderness park and the Wildcat Hill wilderness park. This very session of the legislature we're adding a fourth wilderness park to our system, the Clarence-Steepbank wilderness area.

And this is all part of a commitment to the preservation of wilderness. There is no doubt that the public is behind this preservation of endangered spaces. We don't have to bring Joe and Mary Average onside. The real problem in all of this is the problem of a resolution or resolve on the part of government to take action and to actually preserve or protect these endangered spaces.

And there are two very important points that we should keep in mind when it comes to the preservation of these spaces. First, we don't have for ever to preserve these areas. Increasingly, these lands or these spaces are being developed, threatened, polluted. We need to take steps now to protect them. We don't have the luxury of waiting for another 10, 15, or 20 years. As the previous speaker indicated, we've already lost the better part of our native grasslands; we only have very small areas of them. Even the water . . . the wetlands in Saskatchewan are being threatened. And yet we come to think of ourselves as having the luxury of dawdling in their preservation or protection. We don't have that luxury.

(1430)

A second point that needs to be kept in mind is that we don't make these choices just for ourselves. We make

these choices for future generations — for our children and for their children. And that's why we can't allow ourselves to exploit these areas.

And the World Wildlife Fund has done all of Saskatchewan people a favour in pressing for government protection of these areas. One of the problems in protection is the time cycles we deal with. Forests, for example, will have a 200-year life cycle. Most of us as human beings, if we're lucky, will have a 60- or a 70- or an 80-year life cycle. Governments, if they're lucky, will have a four- or five- or maybe an eight-year life cycle and budgets have a one-year life cycle. If we're to protect ecosystems rather than species, if we're to recognize the importance of biological diversity and the stability and strength that can bring to our province, we need to start protecting these spaces now.

We need to start protecting them from development and from pollution, which really means we need to change our way of thinking from consumption to conversion. We need to learn . . . it's not . . . we can't just take, but we have to leave some things behind as well.

And I would point to three components of an ecosystem ethic that Mr. Hammond pointed out in this forest conference. The first is ecological responsibility, that we keep all the parts of an ecosystem in place over space and time. That means protecting endangered spaces.

Secondly, that we achieve a balance between the human and non-human use of lands. And there is a balance to be achieved there. It's something we have to work on and something we have to learn.

And a fourth point he made was that in terms of an ecological ethic, an ecosystem ethic, we need to get back to the idea of community control for landscapes and for places. Too often control has been delegated by long distance. And certainly we need government, here and now, to protect these spaces; but in terms of the development and control and protection of them, we have to rely also on individual communities who have a vested interest in these areas to ensure that they are protected.

And so today I want to commend all those organizations in Saskatchewan, all those men and women and children who are working to protect our endangered species, and to thank them for giving us the opportunity to achieve the goals of the World Wildlife Fund, and to encourage the Minister of the Environment to keep up his good work in protecting Saskatchewan spaces. Thank you very much, Mr. Speaker.

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

**Mr. Neudorf:** — Thank you very much, Mr. Speaker. It gives me a great deal of pleasure to enter the debate this afternoon. And I would at the outset like to give you notice that I will be making an amendment to this main motion at the conclusion of my remarks.

And I want to begin, first of all, Mr. Speaker, by indicating to the member from Indian Head-Wolseley, who is the sponsor of this motion, that I think it's a pretty good motion. And I think it's a motion that there are going to be some aspects to it that I'm going to criticize, but other than that, I think it's something, Mr. Speaker, that we can kind of all put our shoulders to the wheel because it is an important aspect of our ecological systems that we live in and the climate, quite frankly, that we are going to have to put up with in the future, and certainly our children will as well.

And, Mr. Speaker, as the member for Indian Head-Wolseley has pointed out, it is the World Wildlife Fund Canada endangered species campaign that is an important organization in achieving the goal that we want to achieve. This organization, Mr. Speaker, is the largest private conservation organization that we have in the world. I'm told that it's got over 5 million members around the globe.

The endangered spaces campaign is a cooperative effort to establish protected areas representing all of Canada's natural regions by the year 2000, so we have a long way to go, a lot of goals to accomplish over a relatively short period of time.

Specifically, Mr. Speaker, achieving this goal involves setting aside at least 12 per cent of Canada's land and waters which is, by the way, also a target of the federal green plan. Now since its inception and its beginning in 1989, the World Wildlife Fund's endangered spaces campaign has been so far endorsed by 11 of Canada's 13 senior governments. In fact, one of the first public discussions of endangered spaces was held right here in the city of Regina in 1989 at the federal-provincial parks conference.

Now, Mr. Speaker, there are over a half a million Canadians who have signed this organization's charter, and it's also supported by a wide range of organizations and individuals in this country of ours, for example such organizations as the Canadian Chamber of Commerce, the United Church of Canada, the Girl Guides and also hundreds of environmental and conservation organizations.

Now the goal that we're talking about for the endangered spaces campaign is simple, straightforward, and it's measurable. And I know that the previous two speakers and myself have repeatedly been speaking about the endangered spaces. And some people must be wondering by now, why are we not saying endangered species, because that's the coined word that we're always talking about. We are not necessarily directly talking about endangered species, although they are impacted if we do not conserve the endangered spaces, the regions, the environmental, the ecological environmental system other than wildlife and so on.

So this goal then, Mr. Speaker, is to conserve our biological diversity by ensuring that in these spaces that are going to be preserved, that a representative

sample of each of Canada's 340 natural regions is saved — a representative portion of each of those is saved as a park or another protected area by the year 2000.

Well the obvious question I think that comes to our mind, and I'm sure that the member from Indian Head-Wolseley, had he had time, would have recognized this and said, well really how good are we doing? How good are we doing?

He said that according to his statistics, six and a half per cent has been accomplished. My statistics tell me, Mr. Speaker, that presently less than 5 per cent of the land area in Saskatchewan is protected. But be that as it may, I think we both recognize that we have a way to go to assure a 12 per cent goal. More importantly, there are only 3 of our 36 natural regions in Saskatchewan that are fully represented by protected areas.

So in addition, Mr. Speaker, the organization states that in our province — and this is where there is a dramatic shortfall — this organization says that in our province there is no long-term plan in place to ensure the completion of the task.

Now unfortunately I have to say, Mr. Speaker, that that perhaps sounds kind of familiar in Saskatchewan about the NDP government with no long-term plan. And this may be construed as being another example of that. Because unfortunately, and this is where I have to become a little bit negative, unfortunately the long-term plans that we seem to be experiencing here is one of mixed messages — mixed messages.

Evidence of these mixed messages, Mr. Speaker, appeared about a month ago on March 17 when a Canadian Press story says that Saskatchewan's provincial government, quote: wants to ease its park system into one that emphasizes wilderness protection over recreation. Unquote.

And to me, Mr. Speaker, that's an admirable goal. Yet five days later we learn that the provincial government is negotiating to sell large tracts of the Bronson Forest Recreation Site to the Thunderchild Indian Band. Now how does such a move emphasize wilderness protection? That's a question that I'm asking. How does this fit into the goals of the World Wildlife Fund Canada endangered spaces campaign? How do those two fit together?

Now unfortunately the government will not release the details of that possible deal. They don't disclose just what is going to happen in that protected area, Mr. Speaker; they won't say anything about it. I've asked in question period, will this now become a logging area? Will there be any natural gas drilling? Because that's where that happens in that area. Just what is the government doing to ensure that the Bronson Forest and other areas will continue to be protected?

I believe, Mr. Speaker, that the member from Indian Head-Wolseley who raised this motion is very sincere. His objective is my objective, which is to

accomplish that 12 per cent goal. But the expression of the Minister of Environment leaves many, many questions unanswered. The local residents in that area, Mr. Member, I'll inform you, are worried that this possible sale will mean that the sensitive landscapes and the many lakes in the area may not be as well protected as we would like.

Originally that Bronson Lake forest area was considered to be a recreation site so that it would be under the umbrella and under the protection of the parks system as we know it, and that made sense. That made sense. But now the possible sale of the Bronson Forest area goes directly against the goal of keeping 12 per cent of our surface in its natural state. Even though the minister said on March 22 of this year that his government is, and I quote:

... committed ... with other countries around the world to helping to establish that 12 or 13 per cent of the earth's surface in its natural state so that our biodiversity on which all life is based can be maintained.

And that's from page 1072 in *Hansard*. I quote the minister.

So, Mr. Speaker, this government has on many occasions stated that they are out to create wilderness sites and recreation sites in Saskatchewan. We know that some of the parks in southern Saskatchewan have been expanded.

And so, Mr. Speaker, although I'm running out of time, I will just summarize by simply saying that in essence we agree with what you are doing, but unfortunately your actions are speaking louder than words, so I must at this time indicate to you that I am going to make a motion to amend your motion — that the words:

support the work of the Minister of Environment and Resource Management, his Department, and

be deleted and substituted with the following:

encourage the Minister of Environment and Resource Management,

so that the final motion then would read:

That this Assembly encourage the Minister of Environment and Resource Management to work with conservation organizations in their efforts to achieve the goals of The World Wildlife Fund's action plan for endangered spaces and go on record during National Wildlife Week as being in favour of protecting our province's natural heritage.

So instead of support, it's encouraged, because there are weaknesses in your motion. I so move the amendment, Mr. Speaker, and thank you for the unorthodox way of handling this.

(1445)

**Mr. D'Autremont:** — Thank you, Mr. Speaker. It's a pleasure to rise today in the Assembly to second the motion by the member from Rosthern.

The original rule 16 moved by the member from Indian Head-Wolseley asks the Assembly to support the Minister of the Environment and Resource Management in achieving the goals of the World Wildlife Fund's action plan for endangered spaces — spaces not species — spaces. The minister does not need anyone's support. What he desperately needs is some help.

Mr. Speaker, the goal of the endangered spaces campaign is to establish protected areas representing all of Canada's natural regions by the year 2000. This campaign is supported by over 500,000 Canadians. These are supporters who have signed the Canadian Wilderness Charter. I have been informed by the World Wildlife Fund Saskatchewan representative that its supporters include the Premier and most of his caucus. It's unfortunate, however, that the government who supports the worthwhile endeavours of the World Wildlife Fund would do so little to assist in achieving its goals.

Mr. Speaker, every year the World Wildlife Fund, in cooperation with its partners, assesses progress in each jurisdiction across Canada. They prepare a report card. And, Mr. Speaker, the World Wildlife Fund opens a public discussion of the result today.

I'm told by the World Wildlife Fund that less than 5 per cent of the land area in Saskatchewan and Canada is protected. Saskatchewan's grade has improved, but only slightly, going from a C to a B minus. It's important, but it's not worthy of too much recognition.

If Saskatchewan does not pick up its feet, the World Wildlife Fund will not reach its target. In Saskatchewan only 3 of 36 natural regions are fully represented by protected areas, and this government has no plan in place to move ahead in this regard.

The Minister of the Environment is slowing the progress of the World Wildlife Fund and has no plan in place to improve our province's standing. And I would say this minister and this government are failing the grade and they had better pick up the slack.

On March 22, the minister stated in this House that:

... we are committed in cooperation with other countries around the world to helping to establish that 12 or 13 per cent of the earth's surface in its natural state so that our biodiversity on which all life is based can be maintained.

It's a nice quote, Mr. Minister. It sounds good, but what does it mean? What have you done to establish a natural state of parks in our province? Saskatchewan can benefit by turning more areas, more parks, into remaining in their natural state.

Mr. Speaker, the previous government supported the environment. They acted to correct carelessness in the areas of hazardous waste management, water resource management, air pollution, agriculture chemicals, forest management, soil conservation, and wildlife protection. And the member from Indian Head-Wolseley commented on one of the plans brought forward by the previous administration to protect Crown areas from being broken up into farm land.

The previous government acted to put in place a plan dealing with the World Wildlife Fund's goals to build a park system and to move to meet the goals of the World Wildlife Fund. To this date the current government has not implemented this plan or provided a plan of their own, if they found they couldn't accept the plan of the previous government.

Mr. Speaker, the Grasslands National Park came about because of cooperation between all levels of government: provincial, federal, and municipal. Mr. Speaker, projects like the Grasslands Park attract tourists. And, Mr. Speaker, tourists spend money and create jobs.

Perhaps the members opposite should look into the potential of creating sites in Saskatchewan. Are there economic benefits associated with these sites? Will natural sites attract a whole new sector of tourists to our province? These are questions that must be asked and answered.

Mr. Speaker, this government has committed to work with the World Wildlife Fund in reaching its target, yet to date the progress has been slow. And that is why this amendment is necessary.

Mr. Speaker, I'm pleased to be able to second the motion by the member from Rosthern that the words:

support the work of the Minister of the Environment and Natural Resources, his department

be deleted and substituted with:

encourage the Minister of the Environment and Natural Resources to work with groups.

Thank you very much.

**Mr. Trew:** — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased and honoured to be able to take my place in the Legislative Assembly today and indicate right at the outset that of course I will not be supporting the amendment which is, in my opinion, largely frivolous. And I am proud to support the main motion moved by the member for Indian Head-Wolseley and seconded by the member for Saskatoon Sutherland.

The reason that, in my opinion, the minister deserves all of the support and indeed credit for some of the things he's been able to accomplish in a relatively short period of time, the reason that's so terribly important, Mr. Speaker, is that if you just take a brief

look back in history, just some 90, 95 years ago, around the turn of the century, anywhere in Saskatchewan that there was moving water — a creek, a river, any moving water at all — was potable; that is you could drink, you could dip a cup in, if you happened to be carrying a cup, or you could use your hands to drink the water straight from that river and it was safe to do so, uncontaminated.

That is clearly not the record after some 90, 95 years of increasing settlement, of increasing turning forest into grass and grass into farm land and the multitude of other things that we all do, for which I'm not pretending not to share some of the responsibility for that having happened. But as we do this, we ought to understand we are changing the environment, the world in which we find ourselves bound. And this is in fact a world that we're bound to; there is no escaping earth.

We either are going to respect what we have or we will pay the price. And indeed there are some people that will speculate that human beings are going to go the way of the dinosaur; that is, we will become extinct. And I don't share that pessimistic a view, but I think that the work that is done by the World Wildlife Fund's endangered spaces plan and by the Minister of Environment and this government are all very important.

Not to say it's only important what we do in Saskatchewan. What happens right across Canada and indeed throughout the world is important to us all. We are affected by the destruction of the Brazilian rain forest which is, as I understand it, the largest rain forest in the world. At one time it was viewed as being so huge that you couldn't possibly destroy it. And now, as I understand it, it's going to be all but gone within 20 or 25 years, at its current rate of destruction.

Just to put a little bit of context into how fragile our environment is, I'm reminded of listening to Father Bob Ogle as he was speaking in Regina about a year and a half, maybe a little better than that, ago. And Father Ogle was explaining that if it rained in Thunder Bay as I speak, and if the Great Lakes systems followed where the first drop in at Thunder Bay is the first drop out — that is, you get a complete flush of the five Great Lakes — before that drop of rain that's falling in Thunder Bay as I speak went over Niagara Falls, some 300-plus years would pass by.

And that's really an incredible sort of a thing to think about, when you realize just how important and how fragile our earth is. The signs are all around us. Look at old pictures of natural surroundings. I think to my childhood of growing up on a farm, and I think of the several thousand acres of prairie grass that we broke while I was yet a young boy. Not too terribly many people can say that at my age. Most were a little bit older as the grasslands was ploughed. But ploughed it was.

I think, Mr. Speaker, of the remnants of Indian artefacts, were about 150 yards from our houses. I think of the buffalo rubbing stone that was a mile and a

half away and it was just a nice, pleasant bicycle ride for us as kids. All of these things, Mr. Speaker, are very important.

I look at what the minister has done, I look at what . . . Let me not focus so much on the government, but let me give an accolade to the bird sanctuary that is near Govan. Near Govan, in Saskatchewan, in our province, is the oldest bird sanctuary in all of North America; not more than an hour away from where I'm standing and speaking right now — the oldest bird sanctuary in North America. And that really, I believe, pays tribute to our predecessors for their wisdom in setting aside that.

Building on that, I know there's a park, well many, many parks, but some that come to mind of course are the Cypress Hills Park — Cypress Hills being very interesting, Mr. Speaker, in that it was the only area in Saskatchewan to have been completely missed by the last ice age. And that's part of why you can drive south from Maple Creek and through some pretty dry country and some sagebrush, and then in the space of about two miles, it seems like you go back several millions of years.

I look at the Grasslands Park that we've helped to set up. And I'm also, Mr. Speaker, I'm also very much aware of the Clarence-Steepbank Bill that was introduced and passed last year, setting aside a wilderness park. I think that that is a very important step, it's a very small step, and I'd be one of the very first to acknowledge that, probably second behind the minister himself. It is not enough yet; there is a great distance to go.

But clearly at a time when what we're dealing with as a government was, if I may describe it, some priorities, first, we had to step our province back from the very edge of bankruptcy. We had to make sure we maintained the legal ability to govern the province in order for us to do some of the good works and work on the endangered spaces program, and of course many other things.

We have been struggling with not only the fiscal situation for the first couple of years, but we're also struggling with the remnants of some of the environmental devastation and some of the traps laid by the former government.

Now there, Mr. Speaker, I'm referring to this year, in its fourth or fifth year of operation, the Alameda dam, or pardon me, the Rafferty dam is actually, I'm told, going to have something like 7 metres of water in it at its deepest part. Now this from a substantially deeper dam than that, but that's what's going to be there. I predict that later in the year there will be many hundreds and probably thousands of acres of mud-flats left as a result of this.

The other trap that was laid was that of underground storage tanks where the former government passed legislation, but to come into effect after we formed government. But that's a side order.

Mr. Speaker, for the reasons that I have stated, I am very proud today to report to you that I will be voting against the amendment and in favour of the motion from the member, my good friend and colleague from Indian Head-Wolsley, seconded by the member for Saskatoon Sutherland, also my good friend and colleague, and that main motion being:

That this Assembly support the work of the Minister of the Environment and Resource Management, his department and conservation organizations in their efforts to achieve the goal of the World Wildlife Fund's action plan for endangered spaces and go on record during National Wildlife Week as being in favour of protecting our province's natural heritage.

Thank you.

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

(1500)

**Mr. Draper:** — Mr. Speaker, sir, I didn't intend to rise and speak to this motion but I got interested in it and I'm a little unhappy at this petty amendment that the opposition have introduced. It's a mean-spirited attempt, sir, to belittle what the Minister of the Environment is doing. What he may be doing may not be very much and we have to encourage him perhaps to do more. But can those members opposite really tell us that the ministers of the environment in our sister provinces, in Alberta and Manitoba that belong to their political persuasion, are really doing any better than we are.

If they are, let them stand in their places and tell us what is being done. And I'm sure that our minister and we ourselves will be very pleased to emulate them.

Now perhaps as private members and on our day here, we should try maybe and eschew such silliness. If they had made an amendment to support and encourage the minister, then fine, that would have been acceptable. We all need encouragement but we also, all of us, need support. But there is something that we as private members and as private citizens can do to protect the endangered spaces and the endangered species that live therein.

In 1976, Mr. Speaker, sir, my wife and I bought a quarter section of land 30 miles west of here. What we actually bought was a hole in the ground. This hole was 80 acres of ravine with a trapped-out beaver stream in the bottom. We found out later, after we'd bought it, that by accident we had an arable field of 80 acres in the back which was just a bonus and pays us a little bit of income. But what we were interested in was this hole in the ground. Now 80 acres of ravine, about 25 acres of it is mixed deciduous forest and about 50, 55, 60 acres of sloping, natural wild grass.

So we have done absolutely nothing with it apart from building a cottage on it, sir. We spent \$2,500 in the first place to put up fencing to keep the neighbour's

cows out. Not because we object to the cows eating any of the grass, but we didn't want the cows to interfere with the wildlife.

The beaver since then have gradually filtered back. And they started off a few years ago with one dam and that kept some water in because in the summer the stream simply dried up and withered away to absolutely nothing. And after a series of years, the beaver have produced a series of litters of kits, which is what the young are called, and those kits have come back the following year and built their own dams. I think at the last count last year we had 10 dams.

And this has raised the amount of water in the valley there and it has increased the water table. Now we have lots of water, lush grass, and a lush undergrowth which is an ideal habitat for so many species of birds and animals. We now, because of the open water, we have wildfowl, shovellers and mallards, that come there. And last year I saw the footprints of what I believe were a crane, although I didn't see the actual animal, and we have hawks flying overhead.

There's been a considerable loss of trees, of course, to the beavers. They cut them down and they simply strip off the bark. If only we could get them to eat the rest of it, it would be a lot cheaper and a lot more efficient. But there is always a price we have to pay for anything and the price that I am paying for the beaver is that I lose some trees. I minimize that price by collecting the skeletons, cutting them up with a circular saw and using them for fuel on the wood stove which the Amish of Ontario built for me. So there's always a spin-off somewhere.

This morning, I was able to visit with my mountain bluebird. I've started a bluebird trail, and he watched me very closely, examining to see if he got a housekeeper in session but he hasn't as yet. But he will do.

We've deliberately not planted any garden flowers, sir, so as not to confuse the issue and I can boast that ours is the only garden of eighty acres that, as far as I can see, has not a single dandelion in it.

Of course we have crocuses in the spring, scarlet mallow, and we have a small bunch of Saskatchewan wild lilies on a little slope there. We have chokecherries and saskatoons, which produce usually in alternate years, wild gooseberries, and hazelnuts. There are poplar trees, Manitoba maples, silver birch and so many plants and animals that I just don't know what the names are.

And I hope to spend the next summer months finding out more about these and I hope to spend my retirement there enjoying my wildlife preserve. There's nothing official about it. I did contact Ducks Unlimited and they said they would come and have a look at it and give me a report on it. They didn't even bother to come. So I don't think that Ducks Unlimited are maybe as good as they're cracked up to be.

I think that we should give the minister every support

and every encouragement in this endeavour.

Thank you, Mr. Speaker.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. Mr. Speaker, I know there's just a short while here, and I've listened with interest to the points made by members of the government and my own members here this afternoon. And there's one thing that hasn't been talked about, and I think the member from Indian Head-Wolseley is aware of this, and I think it needs to enter into this debate.

We can talk all we want about the great aspirations of government and who is right in selecting numbers and figures about how we protect the area and the space that's necessary for the various species on this planet to survive. But in our province there's something that is very crucial that we must understand, and that is that most of the land outside of that held by the Crown is in the hands of private individuals. It's in the hands of people involved in agriculture.

And whether we like it or not, some of the policies that have taken place in this province up till now haven't exactly been terribly successful to doing what everyone's talked about today. And I think one of the reasons that they haven't been successful, Mr. Speaker, is that the kind of cooperation that's necessary between those in society that wish to preserve and the agricultural sector, haven't been there.

And we've had the case in point this last winter, Mr. Speaker, in the province of Saskatchewan, a tough winter, the first one that we've had in 20 years where we have had a lot of depredation take place, primarily by deer, elk, some of the bigger ungulates that inhabit the province of Saskatchewan with populations that are very high in certain areas. And they're very high because of the current practices that are involved with conservation and licensing and that type of thing.

So you have the case that takes place and it's very hard to go out and explain to a farmer or rancher who this past winter had several thousand dollars of his feed eaten or damaged, has had a major economic displacement happen, and then he hears members of the Legislative Assembly talking about grandiose plans to set aside so much land and how we've got to do better. And we hear all kinds of urban members talking about how we should do these things when there is nothing in place to compensate the individual.

I would say to you, Mr. Speaker, that some of the best conservationists in this province, and it's been mentioned in the speeches, are the people who actually work the land. My own particular farm, I have a strip of land, about 30 acres altogether along a water course, natural prairie on both sides of it, that's been set aside. And that was a family decision that's been in place for a couple of generations and I hope that the following generations follow through. Because that to me is important to rural life.

But I can tell you, Mr. Speaker, that if we don't as a society and this government clean up our act here, that if we go through another tough winter or we go through another wet fall and we see all sorts of wildlife depredation taking place with no recognition by government on either the conservation side and the people that set licence fees and the people that determine seasons and the people in the bureaucracy of the various departments who, in effect, manage my life as a landowner and a person who has to feed the animals and the birds and the insects and the micro-organisms through their lifespan, then there is going to be trouble, Mr. Speaker, because people are getting sick and tired of hearing speeches in the legislature and the parliament, and then turning around and saying no, there's not a darn thing we can do for you.

So, Mr. Speaker, the two solitudes have got to come together, and it was good today to hear, I believe, the amendment by the member from Rosthern because I think Saskatchewan should take itself up another plane. That we need to recognize long-term planning. And I haven't seen the current NDP government, Mr. Speaker, since October '91 really have any plan in place at all. And I know I've had the occasion to visit with some of the members of that government, and they realize that there is a problem.

And I think maybe it would have been more appropriate today rather than . . . and I understand the timing and the significance of the motion today because of what's going on around us. But the simple fact is that there's some issues that have to be dealt with. The seasons for this coming fall's hunting season are going to be set. Quotas, bag limits, access to Crown land, and how it is accessed are going to be set. And, Mr. Speaker, there's an awful lot of people in agriculture today that aren't happy with what is being done.

And you can talk about setting aside so much of this province to make sure that the species of this province and western Canada survive for a few more generations, but I'll tell you if everyone isn't involved in both a social and economic side of that argument, they aren't going to buy it. They aren't going to buy it all.

And there better start to be some dialogue, Mr. Speaker, between the powers. In this case currently it is the NDP government who control those agencies. It is the king's deer this winter, this past winter, that ate my hay and my neighbour's hay, and hay all over and grain all over this province, and yet the king is not responsible ultimately for the damage that his deer do.

Well, Mr. Speaker, there's a lot of people who enjoy nature and enjoy the fact that our province is blessed with a lot of pristine wilderness, with a lot of areas that we can say are a great heritage for us. But unless there are some solutions offered . . . and I don't have them all, Mr. Speaker, but the only way that they will be achieved is to have some dialogue — not highfalutin, fancy speeches in this Legislative Assembly — that's

what's going to solve the problem.

Because I can tell you, the majority of my constituents can listen to the members — particularly the government members in their speeches today — and say, come walk a mile in my shoes first, my friend, before you stand and make those speeches; and after you've walked in my shoes and you've had your haystack ruined and your grain pile ruined and your trees eaten, you've got a little bit different opinion of what is reality, Mr. Speaker, when we talk about preserving our heritage in this province.

And there's an awful lot of people out there that want to be part of the solution rather than constantly having to fight the problem. And I would really enjoy hearing perhaps one of the ministers responsible or someone in the know over there to get on their feet in this debate and say that besides the higher plane . . .

**The Speaker:** — Order, order. The agreed-upon time of 65 minutes of debate has elapsed. As we have agreed under rule 16, there shall now be up to 10 minutes of question and answer. If the members do not take the total 10 minutes for question and answer, we will then put the vote on the amendment and on the main question. So the floor is open now for questions to members who participated.

(1515)

**Mr. Scott:** — Thank you, Mr. Speaker. I have some comments I would like to make at this time. First of all, I certainly appreciate the general thrust or overall support from the members opposite on this motion. And in response to a long-term plan, in fact there is a long-term plan, Mr. Speaker, titled "Protected Areas in Saskatchewan".

It has an inventory; it shows where we're at and where we need to go. This was just released in December of '93. So we do have a long-term plan and it's up to all of us in government and outside of government to work on this plan and implement it.

There was mention of the Grasslands National Park, and that's a prime example of how long it takes to achieve some of our goals. This park was first proposed in 1957, which is about 27 years ago. Even though over 90 per cent of the land was Crown land and there was widespread support, public support, for the park, and governments from all stripes held office during that time, both federally and provincially, we have a park reserve but we still do not have a full-fledged grasslands park. So it does give you some indication of how complex some of these things are. But we do need to work faster than that.

And one more step to completing the Grasslands Park is in Bill 38, which is in this session, is dealing with protecting the water courses in the park. Hopefully to see through everyone's cooperation . . .

**The Speaker:** — Order, order. I do want to make a correction. I may have misled the members. We have agreed that it doesn't have to be just a question; it can



be a comment made by a member. He or she does not have to ask a question. Simply a comment, but the comment made by the members will also be limited to the time that I would allow for questions. So I think the member's had sufficient time.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I would direct my question to the member from Regina Albert North who commented on Rafferty dam and that, in his view, it would simply be a mud-flat in a short period of time.

I'm wondering what is the member basing that on. Is it on the fact that the government has opened the gates at Rafferty and allowing the water out?

**Mr. Trew:** — Thank you, Mr. Speaker. And I thank my friend, the member from Souris-Cannington, for that question, though I'm a little surprised that you would be asking it being that Rafferty is just a skip out of the way for you on the way home.

The Rafferty dam gate, to the best of my knowledge, has been closed. In fact we diverted . . . there was water diverted from Boundary dam to Rafferty dam to try and get what water we could in the Rafferty so that we could collect some for use at the Shand power station throughout the summer and as long as that water lasts.

Now to the extent that a gate may be opened, there is, as you would know, an international agreement that says that water course flows into the United States. We have to meet the water proportionment according to the international convention.

Most of the water, since water from the Alameda and the Souris converge, we were letting most of the water out through the Alameda dam and trying to maximize the water that is stored behind the Alameda.

I thank you for the question.

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

**Mr. Koenker:** — Thank you, Mr. Speaker. I would like to make two very brief observations. The first is that the Liberals have not even participated in this debate and indicated absolutely no commitment to the World Wildlife Fund's goal . . .

**An Hon. Member:** — Point of order.

**The Speaker:** — Order, order. What's the member's point of order?

**Mr. Neudorf:** — Thank you, Mr. Minister. It would seem to me that the member has been here long enough to know the rules of this Assembly. You're not sitting in your seat, Mr. Member, so please follow the rules of this legislature.

**The Speaker:** — Order. If the Speaker recognized a member and is wrong, it was the Speaker's mistake.

The Speaker should not have recognized him and I apologize to the House for that. I thought the member was in his desk; he was not. The Speaker should not have recognized him.

**Mr. Koenker:** — Thank you, Mr. Speaker. From my seat I do want to reiterate that I'm really disappointed the member from Shaunavon or the member from Regina North West wasn't able to support this resolution and the World Wildlife Fund.

The other point I would make very, very briefly with respect to the Bronson forest is that Chief Weekusk of the Thunderchild Band has indicated in public news releases that the band has no intentions to make changes to the traditional use of that land.

And what's the traditional use of that land but to stay as forest. In fact I quote him in his news release of March 30, 1994: We choose this land because it has historic, traditional, and spiritual significance for us. Words from Chief Weekusk.

So the band is willing to work with interested parties to ensure that the land is preserved and protected, which is fully consistent with what the World Wildlife Fund wants to do with the endangered spaces campaign.

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

**Mr. Neudorf:** — Thank you very much, Mr. Speaker. First of all, let me say that I thoroughly enjoyed putting the member from Sutherland in his place.

Anyway, Mr. Speaker, to pick up actually on a point that he raised, and I want to ask the member from . . . the one that was most explicable in his comments, the member from Indian Head-Wolseley. I want to ask you, sir, do you agree with your Minister of Environment, first of all, buying land in southern parts of Saskatchewan in an attempt to augment the wild spaces in the wilderness aspect of some of our parks in the South, and then turning around, selling Crown land in a wilderness setting that is a wilderness setting, letting go of government control of that land and relying entirely on individuals, private individuals, to say, we will not do anything to this land for ever more, that it will remain in the pristine situation in which we found it.

Are you, sir, comfortable with your Minister of Environment allowing this Crown land to be sold, wilderness land, to private individuals and therefore by giving up government control on that land to ensure that it will continue to meet the needs of the future generations?

**Mr. Scott:** — Thank you, Mr. Speaker. I thank the hon. member for the question. First of all, I do support the government purchasing wildlife lands throughout the province for meeting habitat requirements.

Secondly, the government, Canada has a commitment to our native people to provide or sell or acquire land, either through Crown land or public, for native land claims. And certainly if we look around

the province, some of the best remaining habitat that remains in the southern part of the province is in fact on Indian reservations.

Now as the member from Saskatoon Sutherland-University indicated, if the chief and the band are prepared to enter into an agreement whereby the land will remain in its relatively natural state — which does, I might add, now include grazing and oil and gas exploration — I certainly can support that because there's a large number of players involved here. And by working cooperatively together, hopefully we can achieve everyone's interest.

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

**Mr. Draper:** — I'd like to pick up on a comment made by the member from Thunder Creek, the anachronistic member for Thunder Creek. He referred to the king's deer, and I would like to point out to the member for Thunder Creek and his colleagues there that we've had a queen on the throne since 1952, so the term would have to be the Queen's deer.

But even allowing for his ignorance, if we go back to the time when there was such a thing as the king's deer — and there certainly was in Europe although maybe there maybe wasn't here in North America — it was a capital offence for anybody to hunt the king's deer. And if the king's deer did any damage and if the king did any damage himself when he hunted his own deer, then it was up to the landlord himself and the farmer to make good the damage himself without recourse to the king.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. My question is to the member from Assiniboia-Gravelbourg when he mentioned that the king was responsible to rectify any damage caused by his deer. When we look at SGI across this province, we see a large number of animal impact, where vehicles and individuals are injured by encountering deer on our highways, on the Queen's highway.

Mr. Member, would you support financial aid for those people who suffer a financial loss because of encountering wildlife on the roads?

**Mr. Draper:** — I'm interested in answering that question because last year I had precisely that problem. I ran into a deer, or a deer ran into me — the deer wasn't there to argue his point of view — and did \$4,500 worth of damage on my Topaz; fortunately, not my Sunday car. And I was of course compensated very adequately by SGI. I simply paid a \$50 deductible. And I'm very happy with the status of SGI and the compensation offered. Thank you for the opportunity to say that.

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

#### PRIVATE MEMBERS' MOTIONS

#### Resolution No. 59 — Saskatchewan Farm Security Act Amendments

**Mr. McPherson:** — Thank you, Mr. Speaker. At the end of my remarks I'll move the motion before us.

Mr. Speaker, the reason for bringing forward this private member motion on the same day as I brought forward first reading of a Bill to amend The Saskatchewan Farm Security Act, was as a result of last Friday's ruling in which you, Mr. Speaker, ruled that the emergency did not exist and that in fact I would have other avenues available in which to have this matter dealt with. And I guess today, Mr. Speaker, I'm bringing forward a couple of those avenues.

In fact the government has an option with what's happened today. They can either vote in favour of the motion and bring forward a Bill or amendments of their own, or else they can actually move second reading of the Bill that we brought forward today, the Liberal caucus brought forward today. Either way, I guess what we're asking is that they just please do something, take some action before it's too late.

Mr. Speaker, I have grave concerns about the lack of action this government has taken to address the farm debt situation in Saskatchewan. In the 1991 election campaign there were commitments made to farmers. The first was a commitment to negotiate improvements to GRIP (gross revenue insurance program) and NISA (net income stabilization account). The actions taken by this government with respect to those programs are a matter of record.

Negotiations is hardly the word I would use to describe the unilateral action of the New Democrat government to cancel the GRIP contracts with farmers and to pass legislation revoking their rights to challenge the government decision in courts.

The second promise made was that the government would, and I quote: work with the farmers in their organizations to design a debt restructuring program to keep farm families on the land.

That is the promise I wish to debate today, Mr. Speaker.

Mr. Speaker, the government received majority support from Saskatchewan people who fully expected the government to keep its promises and carry through on its word. Therefore, Mr. Speaker, I believe that farm families in Saskatchewan should expect an immediate and unanimous response from all members of this House to support any action which would help keep farm families on the land, particularly when there is no cost involved to the public purse.

Mr. Speaker, this issue seems a bit complex at first glance, but I can assure you it all boils down to a deficiency in the farm securities Act which leaves farmers in a very, very vulnerable position.

Recently a court decision was made in the case of

Mulatz v. the TD (Toronto Dominion) Bank in which the court decided that the leaseback rights of a farmer have value, and therefore in bankruptcy proceedings passed to the bankruptcy trustee.

What this means essentially is that a farmer who is petitioned into bankruptcy by his lender calling in his loans, or who voluntarily declares bankruptcy because of unmanageable debt, is then put in a position where that farmer no longer has the rights to lease back his land and could lose the right of first refusal to buy the land back.

Mr. Speaker, I contend that such action by the lending institutions is not in keeping with the spirit of The Saskatchewan Farm Security Act or the commitment the government made in the last election.

(1530)

Mr. Speaker, there are thousands of farm families who've been through at least one of the federal or provincial farm credit processes, through ACS (Agricultural Credit Corporation of Saskatchewan) or Farm Debt Review, Farm Tenure Arbitration Board. And of course almost every farmer in Saskatchewan has very close ties to a major lending institution.

Most importantly, where is the credibility of the six-year leaseback program if it's not repaired immediately? There are currently 1,274 farmers in leaseback situations, and they are exercising their right, their leaseback rights because they have had to turn land back to the bank in order to restructure their farm debt.

In spite of that, however, many find that they are still facing unmanageable debt loads and that the only option available to them is to declare bankruptcy and begin the painful process of trying to rebuild their farming operations.

Mr. Speaker, besides the 1,274 farmers in leaseback situations, I look at some of the numbers that arose in the Agriculture estimates of the last evening, where ACS loans in regards to spring seeding, production loans, and livestock cash advance totalled some 8,306 delinquent loans and 3,684 loans that are in recovery. That tells us that one-quarter of all the farms — one-quarter of all the farms in Saskatchewan — are going through some financial difficulty with ACS alone.

So, Mr. Speaker, we are in emergency. The farmers are in a great deal of difficulty. Mr. Speaker, people in rural Saskatchewan have a deep-rooted sense of pride in being independent, and it is extremely difficult for them to come to the final realization that there is no other choice but to give up the land which has often been in their families for generations, to give up on trying to pay interest and creditors and input costs and lease payments, when the cash flow is simply not there.

But, Mr. Speaker, the decision to begin again, as painful as it is for every single one of the farmers who

have been forced into bankruptcy or who have concluded voluntarily that it was their only option . . . that final blow begins with the recovery process. And, Mr. Speaker, that is where the federal Bankruptcy Act recognizes that a farmer should be able to keep his home quarter and his machinery because, Mr. Speaker, that is the regeneration process, and it gives people a chance to start over.

And I believe, I believe, Mr. Speaker, that it is the intent of the farm land securities Act when it addresses bankruptcy, I believe that is the intent and was the intent, to offer some opportunity within the legislation for people to try again, to keep farm families on their land.

After all, Mr. Speaker, if the ultimate goal of our government farm credit agencies is to assist in providing stability to the financial distress of Saskatchewan farm families, then the legislation which governs their activities and their decision-making abilities must support that goal.

Today, Mr. Speaker, we must address the deficiencies in The Farm Securities Act. It is our responsibility to move on this immediately, before any farm family becomes victim to a loophole which could cost them a chance at a new beginning.

Today, Mr. Speaker, the Lorenz family is living under a cloud of uncertainty. The court decision of TD Bank v. Mulatz, brought down in the courts, attaches a value to the Lorenz family's leaseback rights and therefore takes those rights away from the Lorenz's and places them in the hands of the trustee.

Mr. Speaker, the bank has chosen to attach to those rights in the bankruptcy proceedings and has placed an ad in the Wilkie paper advertising the Lorenz family farm for sale; and in fact, it may now be sold within the last day or so.

In doing so, the bank contravened an order by the Farm Tenure Arbitration Board which ordered the bank to relinquish its claim to leaseback rights in the lease which it was offering to the Lorenz family. That's right, Mr. Speaker; the bank has chosen to ignore the order of the Farm Tenure Arbitration Board which by virtue of The Farm Security Act is law. The bank has appealed that order, and without even waiting for the decision of the court, the bank has advertised the Lorenz farm for sale.

Today or tomorrow or one day very soon this family, who is hoping for an opportunity to rebuild their farm, could be forced off their land. In the meantime, they do not have the resources to mount a legal battle and their only hope is that the lawmakers, the government who enacted The Farm Securities Act, will move to protect them by amending the legislation to clarify the intent with respect to leaseback rights.

Now, Mr. Speaker, the government is fully aware that there is a problem with this legislation and I quite honestly cannot understand why there has been no commitment to open it up for amendment. That is why

we cannot wait any longer, Mr. Speaker.

If the government does not move on this immediately, there could be two disastrous results: a farm family could be forced off their land; and, of equal or greater consequence, a precedent will be set which allows for open season by banks and lending institutions on farmers who declare or are petitioned into bankruptcy by their lending institution.

That has tremendous implications, Mr. Speaker. It means that people will no longer be able to consider voluntary bankruptcy as an option because it will endanger their leaseback opportunity. We cannot have, on one hand, a commitment such as the one made by the government in its platform document which states, and I quote:

We will work with farmers and their organizations to design a debt restructuring program to keep farm families on the land.

Mr. Speaker, we cannot have that commitment in writing from the government and then on the other hand a loophole in the legislation which expedites kicking farmers off their farms once they enter bankruptcy proceedings.

Therefore, Mr. Speaker, I urge the members of this Assembly to give careful consideration to the urgency of the issue at hand and to cause the government to amend The Farm Security Act to protect the leaseback rights of the Saskatchewan farm families according to the amendments set forth in the Bill.

I have laid a Bill before this Assembly for first reading today. Each of you has a copy of the amendment which clearly outlines the purpose of the legislation. It is the sole intent to exempt leaseback rights from being taken away from the farmer during bankruptcy.

Mr. Speaker, I see this as an opportunity for the government to do the right thing, and I hope they'll agree to support the request that we amend the farm securities Act. I sincerely hope that we can count on the cooperation from the government to bring the Bill to amend the farm securities Act to second reading so that . . .

**The Speaker:** — Order, order, order. I believe the member is on a motion that he has moved and not on a Bill that is before the House. And I think the member should direct his comments to the motion that is before the House and not the Bill.

**Mr. McPherson:** — Thank you, Mr. Speaker. Mr. Speaker, I listened to the Premier in his campaign speeches as he faced the people of rural Saskatchewan, looked into their eyes and said, not one more farmer, when talking about his commitment to keep farm families out of the jaws of lending institutions.

Well, Mr. Speaker, Mr. Premier, Valentine Lorenz is one more farmer. And on behalf of Valentine and Kim Lorenz, their daughter Melanie, three sons, Aaron,

Adam, and Mark, I would like to thank the members today for their anticipated cooperation in defending the rights and livelihood of one more farm family.

With that, Mr. Speaker, I'll move the motion:

That this Assembly urge the government to immediately introduce amendments to The Saskatchewan Farm Security Act in order to protect the rights of Saskatchewan farm families who currently face bankruptcy proceedings, and those involved in leasebacks who must consider bankruptcy as an option to contend with onerous farm debt.

Seconded by the member from Greystone.

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. I am indeed proud and pleased to second the motion of the member from Shaunavon. Mr. Speaker, the situation in Saskatchewan agriculture is still extremely serious when one looks at the overall long-term picture, particularly with respect to farm debt. And I recognize that grain prices and cattle prices are encouraging at the moment, but that is not a true reflective of the situation on most Saskatchewan's family farms — the kind of farms that are the backbone of rural Saskatchewan, the backbone of the entire provincial economy.

There's not a person in this Assembly, Mr. Speaker, who will dispute that if we could somehow magically get the farm debt to disappear in Saskatchewan, that we could have a much, much better chance for economic survival in rural Saskatchewan — in fact, economic health in rural Saskatchewan. But I think we all know what the reality is; at least we should know.

Mr. Speaker, I travelled last week to the north-east part of the province, and I spoke to the chamber of commerce — a board of trade actually, they call themselves — in Aylesham, and the people have a very good sense of reality out there. They are feeling the optimism of spring and the building of the perennial hope that always seems to stay insulated under the winter snow from year to year in this province. But they know what reality is for farmers in that part of Saskatchewan.

The member from Shaunavon spoke in the Assembly just the other day about the dire straits around Preeceville and Sturgis, just east of where I was last Thursday night. Farmers in their general trading area and people there are very much feeling that the pinch has become a squeeze, has become a vice grip choking the life out of their local economies. Because, Mr. Speaker, almost a million acres of crop, wheat and tame hay, are still laying in their fields waiting to be combined and put up since last year. That's a million acres, Mr. Speaker. It's an astonishing thing to try to comprehend; that's more than the entire agricultural land of many countries.

So in speaking to this motion, I'd like to bring attention, to the members of the Assembly, the

realities facing agriculture in Saskatchewan. There is a perception, and I actually heard this articulated by members of the Assembly, members of cabinet, a perception that things are really looking up in rural Saskatchewan.

Well if one doesn't have an understanding of what is really going on out there in rural communities, for people who haven't been reading their mail or talking to their constituents, maybe that is what people would think. But the seriousness of the situation for farm families has not changed. There are crushing levels of farm debt in Saskatchewan. Right now there are almost 200 family farms in bankruptcy proceedings, and there could be hundreds, perhaps even thousands to follow, depending on many factors.

There is optimism that grain prices have risen for top-quality wheat and pulse crops. But the facts are that cereal grain prices are actually below what they were last year at this particular time. The further fact is that many farmers who had some luck with pulse crops had actually sold at lower prices under contract and did not get for their yields the high prices that were being quoted for spot sales.

Mr. Speaker, a great deal of canola was sold right off the combines. It's gone. And there are very small reserves of the precious commodities that would fetch high prices for farmers who had canola and other high-end crops in the bins as we speak today.

We cannot be lulled into a false sense of security about the state of the farm economy by high prices. Many of us could be rich if we had winning lottery tickets too. But knowing the numbers really isn't good enough if you can't cash in.

And for farm families in our province, this spring presents an even bigger gamble than last. Farmers will be at greater risk this year because of the implications surrounding the very issue that we are discussing today. The reality is that farm families have only so many options available to them when they find the fact that they are simply unable to cope with the onerous levels of farm debt which has been piled upon them year after year after year.

(1545)

And consider the farmers again in the north-east, about whom I spoke a few minutes ago, farmers who have little or no hope of getting any value whatsoever out of what started out to be a bumper crop. Many of these farmers had already experienced problems over the past few years. And now, hoping to keep their heads above water with last year's receipts, hoping to cash in on better yields and slightly improved prices, they met with a natural disaster. Snow and rain pinned their crops to the ground just before harvest, dashing their hopes for a financial comeback.

And many of those very farmers had already made arrangements — made arrangements, Mr. Speaker, to turn the land back to the banks and lending institutions, signed leaseback agreements, and set

about trying to rebuild their farms.

For many farm families across our province the story is the same. Years of struggle, trying to pay down mortgage debt accumulated under unmanageable interest rates and inflated land prices, years of struggle to stay ahead of the lending institutions, borrowing from every single available source, hoping for a brighter day, a better yield, more moisture, even less moisture, higher prices, always hoping that the future would hold a solution to their crisis.

And, Mr. Speaker, these are not nameless, faceless people, especially to me. As I stand today before this Assembly, I am flooded with the memories of hundreds of farm families with whom I have had the privilege to work and with whom I did farm stress work. I see human faces, the victims of this great financial tragedy. I see the images of many farm men and women, people of tremendous inner strength who carried their burdens within them for as long as they could manage, images of robust farmers with hands calloused from years of hard work, sobbing under the strain of an unmanageable burden.

I know that members of this Assembly can identify with this kind of agony. Many of them, I believe, truly, truly care. It is one of the great human tragedies of this province — what has happened to the state of mind of so many, many brave people who work throughout rural Saskatchewan because of things that are completely out of their control. Mr. Speaker, I have travelled thousands of miles. I've spoken to many ratepayers' meetings, teachers' associations, Wheat Pool-sponsored workshops on farm stress. And I can assure you, there are just as many people this very day trying to come to understand what is happening to them as when I began doing this work in the mid-1980s.

And politics is never mentioned in any of these workshops, Mr. Speaker — none. The only time it comes up is when I ask people to talk about the things that they feel are outside of their control. And they talk about the weather. They talk about international trade wars. They talk about commodity prices. They talk about interest rates, and — yes — they then mention government. Not in a partisan way, but they always articulate that decisions made by government contribute to the uncertainty in their lives because they have no control over those decisions, and it leaves them feeling increasingly more helpless as time goes by.

In any case, Mr. Speaker, there are thousands and thousands of men, women, young families, and grandparents who live under the cloud of farm debt in our province. And I have seen the pain and the destruction that farm debt has left behind in Saskatchewan, as members of this Assembly have. I have seen the depression, the anxiety, the physical ailments, the violence, and the substance abuse that has resulted.

I have seen, as all of us have, how the farm debt crisis has touched and continues to touch everyone in rural

Saskatchewan directly. There are very few people in Saskatchewan cities who cannot identify with family members or friends who have been scarred by the farm crisis. There have been very few havens, very few options for people who farm the land of Saskatchewan. There has been little for them to turn to.

And yes, the other taxpayers of the province, not the governments, but the taxpayers of our province, have been generous in their understanding and their efforts to help the farm families of Saskatchewan.

Farm families in our province have appreciated having some financial assistance from government. But it must be remembered that every dime of that money went directly back into the economy that generated it, with the exception of the interest payments that went to lending institutions. And therein, Mr. Speaker, lies a huge part of the problem — the amount of money that was simply taken out of the system in mortgage interest, never to be seen again in Saskatchewan. We all recognize that none of us want to see that happen again; those substantially high levels of interest rates.

But, Mr. Speaker, the damage of the past lingers on. Farm families have not been able to climb out from under the mountain of debt that was built up through the 1980s. And despite off-farm income, farm safety nets, cash grants, and now leasebacks, many farmers all over our province are still teetering on the precipice of bankruptcy.

Currently close to 200 farm families are in bankruptcy proceedings, but that is only the tip of the iceberg. Huge numbers have already declared bankruptcy. And thousands more could be at risk if crops fail, if drought hits, if input costs continue to rise, if interest rates keep rising. Any number of variables could tip the scales on this delicate balance.

So what are we to do? What can we, members of this Assembly, do to offer some stability, some balance, some hope to the situation at a time when hope should spring eternal in Saskatchewan? Can we prevent crop failure or drought? Well no, we cannot; nor do farmers expect it of us.

But we can work together as three parties, and with our federal counterparts and the representatives of the agricultural community, we can work together to have plans in place to address those emergencies. We can work to install a crop insurance program that works and is affordable for farmers.

We can do that, Mr. Deputy Speaker, and we must undertake to do those things because that will improve the stability of the economy in rural Saskatchewan. It will give the lending institutions more confidence in lending to farmers, and it will give people a much deserved peace of mind in the farmhouses in this province.

What about input costs and interest rates? Well, Mr. Speaker, we can raise our voices in favour of tax

reform and stable interest rates. We can do that, and we can put together a plan to keep input costs reasonable to farmers, a plan that addresses all of the input costs including taxation. We have the capacity to do that, to come together as three parties in this Assembly and attack the problems in those ways.

Finally, Mr. Speaker, we can address the issue of farm debt. We must do what is within our power to offer people a legitimate chance to rebuild their farms, to reposition themselves for the agriculture of the next century because that is our true guarantee of independence, a true guarantee of independence for future generations — not just for Saskatchewan, but for Canada, the security of being able to feed our nation, to own and grow our own food, and to have this precious commodity to offer the world.

And how can we do that, Mr. Deputy Speaker? How can we address the issue of farm debt? Well government has taken some steps to offer farmers protection. The Farm Tenure Arbitration Board, the Farm Debt Review Board, ACS and FCC (Farm Credit Corporation) have all designed, with the basic mandate in mind to offer some flexibility, some options to farmers facing unmanageable farm debt.

And I'm not debating whether farmers are satisfied with the performance of those agencies because that is another discussion entirely. What we must discuss and decide today, however, is a matter of urgency. The legislation which governs the rights of farmers and lenders in the leaseback program addresses the issue of bankruptcy, but it does not address the issue of whether leaseback rights are of value to anyone but the farmer who signed the lease with the bank.

Until the TD Bank v. Mulatz case, there was never any question about whether a farmer's leaseback rights had value. It wasn't an issue because no one had ever challenged it or disputed it. But then along came a court challenge in which the lending institution in effect said the following: we believe that the lease contract with the bank does have value because the farmer could sell it or assign it to someone else, like a family member.

The bank, in the example to which I referred, took that argument to court and on February 22, 1994, just seven weeks ago, Mr. Deputy Speaker, the court ruled. And it ruled that the leaseback rights of the farmer were indeed worth something, and could therefore become chattel in the bankruptcy process. And there it is — a loophole in the legislation big enough to drive a tractor through.

Interestingly the federal Bankruptcy Act actually protects a farmer's tractor, his combine, and his home quarter. And they are specifically exempted from bankruptcy proceedings. Why? Because they're deemed necessary to a farmer's farming operation. But what do we have now?

Mr. Speaker, the fact that leaseback rights are not exempted from The Saskatchewan Farm Security Act virtually says, as upheld by the TD Bank v. Mulatz

decision, that a farmer's land is not necessary to his farming operation and that the lease can be virtually repossessed with other chattels in a bankruptcy proceeding.

Today the member from Shaunavon has put before the Assembly a motion that is of paramount importance to the agricultural communities of Saskatchewan. We believe that it is crucial for the government to amend The Farm Security Act in order to protect hundreds of farm families currently in bankruptcy proceedings from losing the right to lease back their land from lending institutions.

Mr. Speaker, one farmer has lost a decision to the lenders in court. In TD v. Mulatz, the bank spent a great deal of money to go after a relatively small farm but they set a precedent. As a result, leaseback rights were declared to have value.

Before Christmas a farmer and his wife in west central Saskatchewan were engaged in negotiations of the lease on their farm land with a major bank. The family had been in a leaseback arrangement with the bank for the previous two- to three-year period, and the bank made a lease offer which was not suitable to the farmer. So the individual in question had exercised his legal right to have the lease reviewed by the Farm Tenure Arbitration Board.

Contained in the lease, Mr. Deputy Speaker, and one of the things to which the farmer objected, was a clause — a clause which forced the farmer to promise that he would never declare bankruptcy or be petitioned into bankruptcy by anyone other than the bank with whom he and his wife signed the lease.

The Farm Tenure Arbitration Board ordered the bank to remove that clause. That's a very significant point, that they required the bank to remove that clause. And you know what? The bank complied with that order, and two weeks later, some time in February, offered the family farm a new lease which they were prepared to sign.

Now in the interim this family came to the conclusion that in spite of the lease arrangement that was being offered to them, they were simply unable to manage their remaining debt and to continue to operate their farm. They made an assignment into bankruptcy.

At that point, Mr. Deputy Speaker, the bank withdrew the lease which it had been prepared to sign. At this stage of this process, there was still time for the bank to appeal the order by the Arbitration Board. And when the TD Bank v. Mulatz decision was rendered on February 22, the bank issued an appeal of the order of the Farm Tenure Arbitration Board which had ordered the bankruptcy clause withdrawn.

Now at this time the bank issued notice to the farm family that it was to vacate its land by the end of March. Subsequent to that, the family farm was advertised for sale in the local paper on April 5, this very month.

Interestingly enough, the trustee in the bankruptcy proceedings has said the leaseback rights have no value to him and he's turned them back to the farmer. The bank is proceeding to sell that land anyway.

(1600)

Now let's just think about this. What happens, I wonder, if the family has its farm sold out from under them, but they go to the Court of Appeal and the Court of Appeal rules against the bank, but the farm has been sold. I mean how astonishing is this. What happens to the family then? Does another bank challenge another family on this issue until a precedent is set?

How many people have to endure pain and uncertainty and the expense of this process before we take action here as legislators to correct the legislation? Because, Mr. Deputy Speaker, and fellow members of this Assembly, within the course of 100 days while most of us enjoyed Christmas, shovelled our way through winter, and smiled at the thought of spring, a farm family — one more — has gone from being under the protection of The Saskatchewan Farm Security Act to declaring bankruptcy to having their lease withdrawn, their leaseback rights attached, and being thrown off their farm. One hundred days — 100 days and counting.

Can any one of us here even begin to imagine the fear and the turbulence that this causes for this particular farm family? For any people who in fact are facing similar kinds of circumstances in Saskatchewan?

Can any one of us here imagine going through the painful process of relinquishing our family farm to a lending institution? Arranging it so that we could lease it back; struggling to pay the bills. And then, through an oversight on the part of legislators and a piece of legislation — who in all fairness did not anticipate this action being taken by lenders — through an oversight on the part of the democratically elected members of this Assembly, that farm family now has been put at the mercy of a lending institution; helpless and without the necessary resources to defend themselves in a legal battle against a financial giant with a very big stick.

The Saskatchewan Farm Security Act, Mr. Speaker, that is what it is. Albeit unwittingly, we have placed a weapon in the hands of lending institutions which, if it is used to its fullest force, could begin an unstoppable domino effect throughout rural Saskatchewan as farmers already in bankruptcy would be vulnerable to lose their leaseback rights. And those considering bankruptcy would have to stay out of the leaseback program for fear of what could happen, and those petitioned into bankruptcy by lenders would have no options whatsoever.

And that, Mr. Deputy Speaker, is simply unacceptable. It's unacceptable to the Liberal caucus, and I know when people in this Assembly understand it, it would be completely unacceptable to each and every member of this Assembly.

Mr. Deputy Speaker, I am very proud to lend my support to the resolution put forward by the member from Shaunavon, to cause our government with our support, and I'm sure the support of the official opposition, to amend The Farm Security Act through the most expedient means possible.

Thank you very much.

**Mrs. Bergman:** — Thank you, Mr. Deputy Speaker. I'm grateful for the opportunity to speak to this resolution this afternoon. I recognize, Mr. Deputy Speaker, that not every one of us in this Assembly is an expert on agriculture, but that should not preclude any one of us from caring about the well-being and security of every individual in our province.

Furthermore, regardless of whether all of us understand what can sometimes be confusing terminology surrounding leasebacks and IMAPs (indexed moving average pricing) and GRIP and all of the other acronyms that roll off farmers' tongues like another language, regardless of our level of understanding of the science and business that is agriculture, all of us can have an understanding of farm families on a different level, a human level.

Mr. Deputy Speaker, I have learned more about the Saskatchewan Farm Security Act while our caucus prepared for this debate. I have learned a fair amount about the Act which governs the financial regulations which control the lives of farmers and the rights they have with respect to their land. And I must say, Mr. Deputy Speaker, it is one of the things for which I am grateful.

I am grateful for the opportunity to increase my understanding through this type of debate by listening to other members, by researching for speeches, by reading mail and talking with constituents, and through the many public and private forums to which people are so thoughtful to invite us.

And, Mr. Deputy Speaker, the more I learn of the intricate processes that farm families must follow to finance their operations, to market and collect for their crops, to insure their crops and to participate in government programs, the more my respect increases for their abilities and their perseverance.

The more evidence I see of the tenacity of people who must fight against such difficult odds just to be able to preserve the life they have on the farm, the heritage, and the land which has been in so many of their families for generations, the more I am reminded of the obligation of all MLAs, no matter where we live or what the demographics or geographics of our constituencies, the more I am reminded of our obligation to fight for the survival of our rural communities and the people on the surrounding farms who keep them alive.

I do not believe that it is ever the intention of any government to draft legislation that would be harmful to the people it was designed to help or protect. In my research, I revisited some of the remarks made in

*Hansard* when the Act was amended in 1992 and I reviewed some of the debate and other material that was around at the time.

It was interesting and enlightening, Mr. Speaker, to see the great optimism that was reflected in the remarks made by government members at that time about the six-year leaseback program and the hope it would provide for farm families.

The government talked about some of the important features of the six-year leaseback and the farm debt legislation. The government talked about the importance of the borrower having security for up to six years, a reasonable period in which to turn the operation around. Obviously, Mr. Speaker, the intent was there to give farmers a chance to get things straightened out.

The government said the benefits to the farmers were obvious — tenure on the farm with reduced costs and a reasonable period to recover. The government talked about how the leaseback plan would be good for business, for municipal governments and rural schools, citing the fact that 30 per cent of the endangered farmers are younger and more likely to have children. The Act will help to keep schools viable by keeping more young families in rural areas.

Well, Mr. Speaker, this was obviously an Act passed with good intentions. In *Hansard* on July 16, 1992 the member from Rosetown, then minister of Agriculture, said, and I quote:

Mr. Speaker, this is grass roots legislation, and it is legislation which will help to preserve our Saskatchewan farming industry. It ensures that farmers may continue to farm land which (that) they have turned over to lending institutions to settle debt — debt, Mr. Speaker, which is the result of international market conditions beyond our farmers' control, debt that is incurred through no error or mismanagement on the farmers part.

That was what the minister of Agriculture said in July 1992. And he went on to say:

To (sit idly by) do so would be to abrogate our responsibilities and our heritage. If we make no effort to save our agricultural industry, we deny the legacy left to us by our pioneers and settlers . . . And, Mr. Speaker, we will do everything in our power to ensure that our farmers have the opportunity to call that land their own again.

The minister of Agriculture was particularly eloquent that day, and he continued to reinforce the intent of The Saskatchewan Farm Securities Act with these comments: And I quote again from page 1528 of the July 16, 1992 *Hansard*:

(Mr. Speaker) The Government of Saskatchewan must do what it can to protect our farmers as they continue to attempt to survive these very tough circumstances.



Security of tenure is the cornerstone of the report by the Farm Debt Advisory Committee. And it is with security of tenure that we begin to help our farmers.

So I believe it was the intention to protect farmers and to keep farm families on their land when The Saskatchewan Farm Security Act was drafted or when it was amended in 1991, those amendments being proclaimed in 1992 by the current government. I believe the Act exists to afford protection to people who have already been through a great deal of financial and emotional upheaval in giving back land to the banks and either declaring or being forced into bankruptcy.

I think the Act recognizes that farm families should be given every reasonable opportunity to rebuild their farms. And farm debt legislation that protects leaseback rights, that gives them a chance to climb back from bankruptcy with the bare necessities of machinery and seed and a lease on a limited amount of land they used to farm is certainly not a free ticket to anything. It is a small stake against enormous odds which gives a family some glimmer of hope that they can fight to preserve their rural way of life.

And so, Mr. Speaker, I believe that we have a duty to perform today. I believe that each one of us must put ourselves in the shoes of the hundreds of farm families who could be staring in disbelief at advertisements listing their farms for sale if we do not rise to their defence today. I believe that each one of us, regardless of our background, regardless of whether we are representatives of urban or rural constituencies, must shoulder full responsibility to do the proper thing and amend this Act. We must put the minds of hundreds of farm families at rest immediately and preserve and protect the future of many farm families under the shadow of farm debt today which could evolve to bankruptcy tomorrow.

Mr. Speaker, this resolution deserves our unanimous consent. It comes at no cost and is an opportunity for us to save countless families from court battles in which there are truly no winners. Mr. Speaker, I urge each member to let their conscience be their guide and to join me in supporting the resolution presented by the member for Shaunavon today. Thank you.

**Mr. Upshall:** — Thank you, Mr. Speaker. Well, Mr. Speaker, after the Leader of the Liberal Party made her speech, I had a heck of a time — I was looking around for Kleenex and a towel to dry my eyes and I wanted to get up and walk out of the theatre and get in my car and go home, but then I realized I was in the legislature.

What a performance. You hear the voice raising and lowering and quivering. I'll tell you, I've never seen a phonier, unreal performance in my life in this legislature, and that's saying something. That is saying something, Mr. Speaker. And I want the people of Saskatchewan to know how phoney it is and in my remarks I'll tell, explain how phoney it is.

And the member for Shaunavon. When the member for Shaunavon first left this side of the House for the other side, I didn't think he was Liberal, but today he's proven he's a Liberal — a phoney Liberal.

Mr. Speaker, the other thing that shines through in this and proves the phoniness of this motion is the fact that they've exposed themselves on the knowledge of this subject. They've exposed their knowledge of the subject because the motion that the member puts forward and the legislation that the member tabled in this House simply does not come anywhere near doing what they would like to say it does — not anywhere near. They should have . . .

**An Hon. Member:** — So bring in an amendment.

(1615)

**Mr. Upshall:** — Well the member says, well bring in an amendment. Well, Mr. Speaker, let me go through the process, let me go through the process.

This problem began when the institutions, the financial institutions, started looking for a way out of our six-year leaseback program that we put in in this government, our Minister of Agriculture put in by this government, for the farmers of Saskatchewan. The institutions started to look for a way out of this.

And over a period of time they found a loophole, they found a loophole aided by the courts. But the problem is and since that time, Mr. Speaker — and the members want to know — this government has been working and trying to make sure that every little i is dotted and t is crossed to make sure there's no other loopholes.

And what does the member for Shaunavon do? Bring in a piece of legislation, aided by this motion, that simply is inadequate, malthought and, I must say, phoney.

Saskatchewan Farm Security Act meant to include bankruptcies; ACS holds 14,500 or so acres of land. Of that, about twelve and a half thousand, Mr. Speaker, are in a leaseback situation. The other two thousand acres, or twenty-five hundred acres roughly, is land that was pre-leaseback legislation and rented to farmers on an annual basis.

Do you know how much land there is in Saskatchewan held by companies . . . or by institutions? One million eight hundred . . . approximately, 800,000. Most of it by Farm Credit Corporations; most of that 1.8 million by Farm Credit Corporation. In fact, Mr. Speaker, eight-tenths of 1 per cent is held by ACS, eight-tenths of 1 per cent is held by ACS — of the land held in Saskatchewan by institutions.

The first reason I want to put forward as to why this is phoney legislation or a phoney motion, Mr. Speaker, is we haven't heard boo out of the Liberals. We haven't heard boo in this House.

Why didn't they bring a motion forward that said we want the federal government to put their 80-some per cent of the land that's held by them in Saskatchewan into a leaseback program, into our six-year leaseback program run by the rules. Why didn't they bring that into this legislature?

**An Hon. Member:** — We will.

**Mr. Upshall:** — The hon. member says he will. Well I mean we haven't seen it yet and we know it's a major problem. Or why didn't he include it in his resolution if he wanted to be all encompassing and try to help farmers, really try to help farmers?

Mr. Speaker, in the process of the farm . . . Saskatchewan Farm Security Act amendment put in the six-year leaseback, the process, as we've been working on it in the department, came to fruition basically with the TD v. Mulatz case. This crystallized the issue. But it's an issue that has been burning for a long, long time.

**An Hon. Member:** — How much longer?

**Mr. Upshall:** — Well the member for . . . the Leader of the Liberal Party says, well how much longer. Well I'll tell you one thing that we didn't do and won't do, Madam Leader of the Liberal Party, is we won't come forward with junk legislation that will not solve the problem, like you did.

ACS by the way, Mr. Speaker, ACS will not partake in the bankruptcy program that some of the institutions like the TD Bank are putting forward. ACS says it doesn't matter if it's voluntary bankruptcy. Even if it's voluntary bankruptcy, they will not use the federal Act, the rules of the federal Act.

Because the federal Bankruptcy Act gives a definition of a farmer. The definition of a farmer is a person who makes his sole income from farming. Well in these days, Mr. Speaker, you know and I hope the members opposite will know that there are not that many people left in Saskatchewan who are making their income solely from farming.

So ACS says — and just let me explain one more thing — ACS says it will not petition farmers into bankruptcy. It made that very clear. Some of the banks are, or the TD bank in this case is. Because we have instructed our institution not to do that, to help farmers.

The other aspect is if a farmer volunteers himself into bankruptcy. If a farmer volunteers bankruptcy, Mr. Speaker, he then is in a situation where the Bankruptcy Act is interpreted and he has no protection. And that's why we need some Saskatchewan legislation in that small corner, and I'll get to that in a minute.

But do you hear any of the Kingston trio over there in the Liberal Party talking about changing the federal Bankruptcy Act? Is there anywhere in the motion that we are discussing today that the member says, we

should not only have some Saskatchewan legislation, we should be changing the federal Bankruptcy Act . . . call upon his federal Liberal cousins to change the Bankruptcy Act to ensure that the definition of farmer is expanded so that farmers can't be petitioned into bankruptcy by the institutions.

Right now, as I said, Mr. Speaker, the farmers of this province . . . The definition of the Bankruptcy Act is someone who makes his income solely from farming.

Well had the eager beavers in the Liberal Party, had they not been so eager to — I'm sorry, Mr. Speaker; I used an animal name; I apologize for that — had the eager Liberals not been so in a hurry to put forward inadequate legislation, they may have taken time to ask their federal members and Mr. Goodale to change the Bankruptcy Act, to expand the Bankruptcy Act to allow farmers who are now . . . the norm of farming is farming and working off the farm too, but allow them the protection they need under the Bankruptcy Act. Not one word in this motion, Mr. Speaker. And that's another reason this is a phoney motion and a phoney piece of legislation.

Mr. Speaker, I want to point out some of the problems in the legislation that has been brought forward. Now this motion, this motion, Mr. Speaker, talks about asking us to bring forward the legislation. But then the member put forward his own legislation, and I want to explain the difference and another reason of the phoney legislation.

The first thing this legislation that was put forward does, it does not refer or . . .

**The Speaker:** — Order, order. The member is referring to the Bill that's on the order paper. He's out of the order. If the member wishes to speak on the motion, he can speak on the motion. But the Bill that was brought in is not under discussion at the present time.

**Mr. Upshall:** — Okay, Mr. Speaker, yes. This is very close to the Bill, so it's going to be . . . I'll try to stay . . . Okay.

In the legislation that is needed . . . Let me put it this way. In the legislation that the member is calling us to bring forward, there is a need to have the right of first refusal for farmers. Anything that I've seen that's been put forward so far has had nothing to say about right of first refusal. Right of first refusal on leases and purchases, it's not there — phoney — because we need the right of first refusal to ensure that the farmers can continue their leasing after bankruptcy, that all their wherewithal and their leased land can be continued to be farmed by them because of their farming unit that they depend on and budget on.

The second thing the legislation should have, Mr. Speaker — and to date I have not seen this in this House — is an assignment clause. That's why I say it's so ill thought out. I mean that's why this government is in the process of bringing forward something. But you don't just bring forward a half-remedied solution.

The assignment clause I have not seen in this House presented by any member, and it's important because in order to make this legislation effective, you have to be able to have the farmer, as in the six-year leaseback legislation, assign his rights to a spouse or a child — anyway the definition is laid out in the legislation — or wife of a child. Very specific. Nothing that's been presented in this House, Mr. Speaker, has seen that. And we need legislation that includes that. Phoney.

The other thing, Mr. Speaker, is the fact that when you are crafting legislation for this institution that deals directly with or indirectly with legislation that is federal legislation, you have to be very cautious. Because if the banks, if the TD Bank — I don't want to single it out — if a bank has worked for a couple of years since our six-year leaseback program has been put in place, to find a loophole to try to take away the benefit of the six-year leaseback, then I'm sure in any new legislation those in that institution would again try to take time to study and study and to try to find another way out.

**An Hon. Member:** — It's not federal.

**Mr. Upshall:** — Mr. Speaker, the member from Shaunavon says it's not federal. Well the Bankruptcy and Insolvency Act, for the benefit of the member, and I can remember explaining some of these things to him in my previous life — the Bankruptcy and Insolvency Act is a federal Act. It's a federal Act. Do you agree with me? It's a federal Act. I think he agrees with me now, Mr. Speaker. I'm sorry he did not know that. And perhaps had he known that, he wouldn't have put forward this motion or anything else similar to it in this House.

But just think of that institution, if that institution started looking for loopholes again in any new amendments that might come to this House, what their option would be, Mr. Speaker, if they couldn't find any loopholes, is because if any provincial legislation tries to override federal legislation or affect it in any way, they could challenge it constitutionally. And would that solve the problem? Of course not. Of course it wouldn't solve the problem.

That's why, Mr. Speaker, I encourage the Leader of the Liberal Party and her friends behind her to talk to Mr. Goodale and Mr. Chrétien in the federal Liberal Party. Tell them that they made a mistake by what they did here; they realize they didn't understand what was going on. And if they truly want to cooperate . . . I mean I hear all this verbal diarrhea about cooperation . . .

**The Speaker:** — I have listened to the member. He's used a number of words or language which is simply not appropriate for this Chamber. Although some of them have not been unparliamentary, in the manner in which he says them they are unparliamentary. And using that last word, certainly I know the member has more experience; he knows they're unparliamentary and I wish he'd refrain from using that kind of language.

**Mr. Upshall:** — I apologize, Mr. Speaker, if I was becoming unparliamentary. As you very well know, I would not want to do that.

But I want to make a point. The sob story whine coming from the leader of the Liberals is certainly phoney in that the solution that they're putting forward is not a solution. Talk to your federal counterparts. Go back and get some people, some of your Liberal lawyers, to explain to you the fact that federal law versus provincial law is very, very precarious when it comes to one overriding the other.

Mr. Speaker, the constitutional challenge is a problem if you don't research and review any legislation that's brought forward and make sure that you're not going to shift the object of the intent. The intent is to help farmers, but if we want to shift that, there could be a constitutional challenge, and where would it get us?

That's why when we talk about cooperation — and that's what I started to say just a few minutes ago — the cooperation aspect that I heard over and over again, well we've got to be pretty nice little people and work together and cooperate so we fix everything.

Well that doesn't work. I mean you're saying one thing and they're absolutely doing another. And you know what really hurts, Mr. Speaker? When I hear them talking about farm families. Well I'll tell you, I suffered through many years of farm families going through bankruptcies, talking to me on the phone and talking to other members of this legislature. But the prima donnas come in here and pretend they're the first ones that ever experienced this. But you know what really hurts, Mr. Speaker, is they are using that farm family for their Liberal fortunes. That is disgusting.

Because had they really wanted, had they really wanted to help that family, they wouldn't come forward with a motion like this or they wouldn't present what was presented to this legislature. It would have been something better, if they'd really wanted to do it. And I say that's disgusting and it's phoney.

**An Hon. Member:** — You have no idea what you're talking about there.

(1630)

**Mr. Upshall:** — Mr. Speaker, the member from Shaunavon says I have no idea what I'm talking about. Well I'll invite him to send my remarks out to get analysed, and we'll see who knows who's talking about who.

Mr. Speaker, what we need in the provincial legislation is an exemption from the bankruptcy Act to exempt the six-year leaseback land. We have to talk about changes — changes, Mr. Speaker, to the Bankruptcy and Insolvency Act, section 48, which broadens the definition.

In this day and age farmers, let's say the majority of

farmers work off the farm. And I would just ask him or the Liberal leader and her cohorts there to just talk to the federal people and say, please get up to speed; get modern.

It's a reality that people are working off the farm. The reason that they're working off the farm is because they can't make a living on the farm. And yet you leave your legislation in place to say that if you're living on the farm and making all your income from that, you can be petitioned into bankruptcy, but if you're working off the farm and trying to keep the farm alive . . . I mean in reverse — if you're working on the farm you can't be petitioned into bankruptcy. But if you're working off the farm trying to keep the farm alive, you can be.

Well the member from Shaunavon's laughing. Well, Mr. Speaker, that is another little bit of proof. Just phone up your federal counterparts. Say look, the change to the Bankruptcy and Solvency Act is just a little change. That's all you have to do. Broaden the mandate. Make sure you research it though. Broaden the mandate to get into the modern age, because it doesn't make sense.

I ask the members, does it make sense to have a law that says that you really can't go out and try to save your farm, or else somebody can petition you into bankruptcy for doing it? It doesn't make any sense. And is that included in the motion? Absolutely not. That's why the motion's phoney, and the legislation's phoney.

Mr. Speaker, as I said, using farm families for the fortune of the Liberal Party is not a very proud thing to do, in my books. As I said, Mr. Speaker, the members opposite and the Liberal Party either are misinformed or incompetent or trying to use somebody else for their gain.

I ask the members, just think about. This is very common in the Liberal Party. Look at this. We have here — and talk about bankruptcies — we have here a headline in *The Western Producer*, March 31: "Goodale says Canada 'won't play dead' if U.S. blocks wheat". Okay? And in terms of the farming situation, it's very important because of the income to farmers.

In the same paper though, proving our accusation that Mr. Goodale is more talk than action and the fact that if the members opposite here have any influence and want to save farms and get the farm economy going, they would be talking to him. But the same copy of *The Western Producer*, there is a Liberal back-bencher, Wayne Easter, condemning Mr. Goodale for lack of action.

And this is the same thing here. We have sweet talk and no action. We have the Liberals sweet-talking us in Ottawa, with Mr. Chrétien, Mr. Goodale, and Mr. Martin keeping on the same Conservative finance program — phoney. And the people of this province will see that phoniness ever so soon.

You talk about bankruptcies. Look at the durum wheat situation. What's happening? What's happening with the durum wheat situation? Well I'll tell you . . . or the cash advance? Mr. Goodale says we're going to have a cash advance. And all of a sudden after the election, no, I guess we're not going to have interest-free cash advance. I invite the Liberal leader to get on the phone again, call Mr. Goodale and say, live up to your word. But why would she when she does the same thing in Saskatchewan?

Transportation policy. If you want to talk about bankruptcies, why we have to have legislation in here and in Ottawa and in Saskatchewan to fix some of the problems. I just happened to be going through a little document called *Facing Choices Together*. Maybe the members opposite will have seen this document. It's called *Facing Choices Together*. It's the response to pre-budget consultations, tabled by the Hon. Paul Martin. Okay?

I was flipping through it and I came to one section, and this section is called . . . and the issue is transportation policy. And the scope of this has objectives, lead roles, the scope, and the timetable. Well I just want to read the scope, part of the scope:

Service transportation: consultations with stakeholders to redirect subsidies into new programs that would improve efficiency.

This is the Liberal document — redirect subsidies into new programs that would improve efficiency. Talking about the Crow benefit, obviously.

Four hundred million dollars, Mr. Speaker, that the Liberals are trying to take away from Saskatchewan farmers. Did you hear anything about that? Do you know what that will do for the bankruptcies in this province? In fact did you hear the members opposite say one word about the 5 per cent reduction in the transportation costs this year?

No, no, they're very responsible to the Saskatchewan farmers, bringing forward a motion that condemns the government and urges them to bring something forward, then put something forward in the legislature that tries to fix a problem that they don't know how to fix . . . (inaudible interjection) . . . Well the members say, do something. Well I guess that shows the measure of understanding that they have about this institution, and that's a sad statement, a sad problem we have.

But we have a document by the federal Liberals. Why wouldn't you stand up in your place and say, even the 5 per cent that was reduced by your federal Liberal counterparts, the 5 per cent reduction in the method of payment, Mr. Speaker, is going to cause more bankruptcies. Did we hear one word out of the members opposite? Not one word. That's why this motion and anything they place before this House is phoney.

The same old Conservative policies, but have the sweet-talkers out

front. Have the sweet-talkers out front doing the warm fuzzies with all the people, but continue in the background running that same old right-wing Conservative policy.

And you see it in the transportation. You see it in finance. You see it in the \$39 billion debt that they're . . . you see it in the interest rates raising because they're not doing anything about it. And the people over . . . the Liberals over on this side of the House stand in their place and moan and pretend they're concerned about the farm families of Saskatchewan. Well, Mr. Speaker, that is phoney, absolutely phoney.

Mr. Speaker, I want to end my remarks by moving a motion because obviously . . . an amendment rather. I'm sorry, I didn't mean motion, I meant amendment — an amendment that will help to try to resolve this problem.

But before I move this amendment, I have just one last request of the Liberal Party. If you want to help farmers in Saskatchewan, you'd better be consistent. Because I saw it in eight years, or six . . . ten years of Conservative, five of them being in this House opposite, the lack of being consistent.

Because you can't go around and not say a word about pulling the skids out of these farmers by reducing the transportation payment and eventually trying to eliminate it with your federal counterparts, the same time saying you want to stop bankruptcies. That's inconsistent. You can't go around in this legislature not saying a word about the programs of the federal government, including an interest-free cash advance that was promised and now not delivered, and still say you want to help Saskatchewan farmers.

I'll tell the Liberal party we'll be watching. And if you don't increase your consistency — and you've been very inconsistent on every issue in this House — your fortunes will be down the tubes quicker that you would think. Oh, you may feel good now, but I'll tell you it doesn't take long for the feelings and the knowledge inside these walls to spill over. And inconsistency is the one thing that I know people especially in rural Saskatchewan and I'm sure in urban Saskatchewan, understand. They don't like to be told one thing and have something else done to them.

Mr. Speaker, I will move, seconded by the member for Biggar, that we:

Remove all words after Assembly and replace with the following:

commend the provincial government for taking a responsible, thoughtful approach in developing legislative initiatives designed to protect Saskatchewan farm families currently facing bankruptcy, which include amendments to The Saskatchewan Farm Security Act; and further that this Assembly call on the federal government to join in this effort to protect Saskatchewan farm families by

making the appropriate complementary changes to the Bankruptcy and Insolvency Act.

I so move.

**Mr. Whitmore:** — Thank you very much, Mr. Speaker. I'm very pleased to enter into this debate today, discussing the subject of farm debt and the question of action or inaction by governments.

I find it very interesting when I'm lectured by members opposite to what it feels like to go through farm debt, what it feels like to go through the pain and agony that takes place, and told what I'm supposed to feel, what other individuals are supposed to feel.

I know the feelings that one goes through by doing it. I'm not afraid to say that I've gone through it personally in terms of making those adjustments on my farm. I am saddened to hear though — I feel for the people today that are faced with the problem and the difficulty — that our Act has not captured all those individuals.

But as of yesterday, as mentioned by our Attorney General, who mentioned that we are looking at a Saskatchewan solution. Since the federal government has failed and continues to fail to make their changes to the Bankruptcy Act, we will try to create that Saskatchewan solution. And we hope, as he outlined yesterday, it will stand the test of the courts. It would be far better had it not been that case.

And the minister outlined yesterday that the Department of Justice and Department of Agriculture had been looking at a solution since February, in consultation with the federal government in Ottawa. And the federal government had shown inaction in that area. As he said, Ottawa moves quite slowly.

As the member from Humboldt had mentioned, it is interesting though when we talk about farm families and the problem that this farm family faced with that judgement, is that the members opposite of the third party failed to discuss the million-plus acres held by Farm Credit Corporation that does not participate in the six-year leaseback. And the thousands of farmers that are affected by that, not a word, not a word, Mr. Speaker, nothing. Where were they?

They are playing politics with one individual case and forgetting the other farmers that are out there. I would like to see correspondence from the members opposite to the federal Agriculture minister requesting FCC to participate in this program. I would like to see that kind of support.

Let's talk about another problem; we're talking about bankruptcy, possible changes to the Income Tax Act. The member from Rosthern, approximately three weeks ago, brought up the subject and I commend him for bringing this subject to the attention of the government. Because he showed two sections in the Income Tax Act brought forward in the last federal budget by the administration there — Liberals — that has serious complications for any farmer or farm

family that are entering into bankruptcy. And I'd like to read a brief summation of that to let the members opposite know what is going on.

(1645)

Buried among pages and pages of technical data to the federal Income Tax Act, is something you've probably already heard about — a proposal that amount of indebtedness written off, forgiven, or otherwise deemed uncollectible by a lender, to be considered ordinary income in the hands of the borrower, subject to a tax rate.

Mr. Speaker, I'd like to explain this, particularly to the members opposite. If a farm family declares bankruptcy and there is a write-off, let's say, of \$120,000, that \$120,000 is now deemed as income for that year. Protecting family farms, this is what we're hearing from the federal Liberals?

I have heard nothing — nothing — from our provincial Liberals. Show us correspondence. Show us something that you've talked to the federal minister of Ottawa. Show a spirit of cooperation. But nothing. And the implication of this is it's hard to imagine.

When a farm family makes a decision that they're going to go into bankruptcy and hopefully they'll be able to continue to farm, provided financial institutions don't try and upset the legislation by some other avenue or means, they are faced with a tax bill who is more unforgiving than any financial institution — Revenue Canada — and they will shut down the farm now. These people will be faced with this debt. And still nothing, still nothing. I can't believe it — still nothing.

These are issues that must take priority as we are trying to develop, as the Minister of Justice said yesterday, a solution to this problem so it will withstand any other test. We are trying to work with it.

But what do the members opposite simply do? Simply politically grandstand — they had the answer yesterday to what was being done and what did they provide? Inadequate legislation to deal with the problem, which would make it worse rather than better, and leaves out key, significant areas in terms of the legislation.

There's no provision in terms of passing a lease on to someone else in terms of a spouse or a daughter or a son, which the present legislation does. That amendment does not do that. And I realize, Mr. Speaker, I have dwelled a little beyond the motion.

Very interesting to hear the member opposite talking, babbling on at what's going on and things like this, Mr. Speaker. But I want to go back to the question of this tax problem. That idea doesn't give you nightmares, it will likely give you heartburn.

In plain English, this will mean if the federal government does decide to implement this provision, that borrowers with unmanageable debt could face

total ruin because of a tax liability. They can't manage their debts in the first place and it's written off. How can they find funds to pay the taxes? How can they find the funds? And nothing, still nothing in terms of this . . .

**An Hon. Member:** — You know that's not the truth, Grant.

**Mr. Whitmore:** — Mr. Speaker, the member opposite has stated, from Shaunavon, that this is not the truth. I would ask him to check section 88 and section 90 of the proposed changes to the Income Tax Act that are in the federal document papers that were filed after the Finance minister in Ottawa filed those documents. It is there.

I have also had discussions with those people who deal with farmers and farm debt renegotiations, and have highlighted it to me in terms of what's going on. It has been highlighted in also *The Financial Post* in terms of a person that is expert in terms of tax, outlining this difficulty. It has also been in an issue of *Ag Week* magazine highlighting the issue and the difficulty with it. So if I am incorrect in what I am saying, then there are a number of other people that are incorrect in what is being said.

And also I refer to the questions that were asked by the member from Rosthern on this very issue, approximately three weeks ago, talking about the same issue, and quoting the same individuals in terms of the changes to the tax Act. And I'm told that I'm telling an untruth? I'm told that I'm being told an untruth? I think the member from Shaunavon had better check the facts and better read the documents.

I want to go back to the question of Farm Credit Corporation. We had saw the previous administration, federal administration, not willing to deal in terms of the six-year leaseback proposal. They were not wanting to participate and help family farms. They simply wanted to play politics. We were hopeful with the change in the federal regime in Ottawa that we would see some changes there in terms of FCC. And I certainly hope these changes are coming for those family farms that are out there, for the families. But I am tired of the rhetoric.

We take action. When we bring in six-year leaseback, we are criticized for the action that we take as a government. We are criticized that it is not what is needed. Farmers out say that yes, this is what is needed, it does provide protection.

We are also looking to the future, Mr. Speaker. And I would like to refer to the document, the Ag 2000 strategy, that outlines a game plan of where we want to be next to deal with those farmers in terms that have turned land back voluntarily to farm financial institutions; dealing with the question of those people that have been bankrupt or foreclosed on; also dealing with those people who wish to retire and cannot find people out there who wish to purchase their land.

We're exploring new opportunities, Mr. Speaker. It is stated in Ag 2000 we are exploring the area of community-based land trust, Mr. Speaker. The community-based land trust is a vehicle by which communities can look and determine the future they want in terms of agriculture, and putting those people on the land and allowing them to continue to farm, and at the same time allowing those wishing, to retire.

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I would adjourn the motion being debated.

Debate adjourned.

The Assembly adjourned at 4:57 p.m.

It is an opportunity. It is an opportunity, and we need to be looking into the future too in terms of finding that vehicle that will work. We need to be also providing the breathing space that the six-year leaseback does in terms of allowing farmers to get ahead of the game if they wish to purchase some of that land back. We need to be providing breathing spaces, and that's the action this government has taken, Mr. Speaker.

But the members opposite from the third party continue to chirp and say it's not. You know, you need to deal with this, you need to deal with that, and things like this. Little wee issues, very specific. And we try to deal with the general on all the farm community out there.

Our Ag 2000 strategy maps the future game plan, or where we want to go in terms of value added industry; key roles of the livestock industry; key roles in terms of research and development in this province, Mr. Speaker. The area too of grain transportation, Mr. Speaker. The question of trying to deal with that subsidy program that we have and how we can best manage it and make sure it is maintained so it's a subsidy to western Canada and it's not lost in the mix.

If I am fearful of something, Mr. Speaker, this present federal government — that the members opposite of the third party are also members of — that in the area of grain transportation they will act too hastily, without consultation, without recognizing what we need to do in western Canada. I am afraid, Mr. Speaker, when it comes to grain transportation, that the subsidy will be diluted and become a national subsidy, and we will lose again in western Canada. And this is something we have to be aware of, Mr. Speaker.

Mr. Speaker, as I've said, this government has tried to act in terms of the areas of farm debt. We have continued to use different vehicles and terms to meet that farm crisis out there — and it continues to be a crisis — and we welcome all ideas by members opposite to deal with those problems.

But we need to do it in a forum that is not political, Mr. Speaker. We need to do it in a forum by which we can find solutions. Bringing it in this forum today is not the way. We are certainly open to anyone coming forward, and the Minister of Agriculture I know would welcome any suggestions coming forward from the third party and from the official opposition that are workable and that will work, and not just politics.

So with that, Mr. Speaker, I'm very pleased to take part in this debate today. Thank you very much.