

perhaps they will give up the ghost, get some retraining, and go into the city in search of some other job—and also in talking with the Farm Debt Review Board, we discovered that there was a good and close relationship between these groups. The Canadian Rural Transition team could not tell us how many of the cases referred to them came from the Farm Debt Review Board—that is, the mediation group—and how many cases came from credit unions or banks, or voluntarily came to them as farmers. However, they have promised to try to provide us with some statistics. I think the follow-up they are doing will be of interest to us in a further study, perhaps in a year from now.

Honourable senators, two years ago this committee made nine recommendations to the Minister of Agriculture. We were pleased to find, during the fairly large conference held in Ottawa in December of last year by the Minister of Agriculture, that nearly all of the Senate's recommendations and nearly all of the issues that we had been discussing in the Senate committee were contained in the Department of Agriculture's working paper, "Growing Together: A Vision for Canada's Agri-food Industry". Therefore, honourable senators, some of the work done by the Standing Senate Committee on Agriculture and Forestry has, indeed, had some attention paid to it.

On this occasion we have but three recommendations to follow up. First, because of the conflicting views between the lenders who appeared before us—that is, the Canadian Bankers' Association and the FCC, we urge the government to reexamine the committee's 1988 recommendation regarding the mandate of the Farm Credit Corporation. In other words: Is this the way in which the government wishes this corporation to go? Because there are pros and cons.

Second, although the Farm Debt Review Board and the Canadian Rural Transition Program are working relatively well, the committee recommends that, prior to the renewal of their programs, the mandates of both these bodies should be examined to ensure that the assistance they are giving is being delivered in the best possible manner.

Honourable senators, our third and final recommendation is a little bit stronger, and I hope that I have provided some evidence of the distress that is occurring in some areas of the Prairies: Given the severe financial stress still being experienced by some Canadian farmers, especially in the prairie provinces, the committee recommends that some form of disaster relief program be established. The committee also recommends that this program be funded in an amount consistent with recent levels of assistance.

Honourable senators, before you nail me or my committee to a cross for that last recommendation, let me point to what I am referring. Survival of the food industry in western Canada during the last four or five years has depended to a certain degree on government support in the form of grain payments, drought payments, water haulage payments, and the movement of cattle from drought areas to green areas. In other words, many programs have been utilized to help sustain this industry that is vital to Canada and to the world.

[Senator Barootes.]

Honourable senators, as I see the situation at the present time, and as I fly over the Prairies and see the meagre dusting of snow that exists over our stubble, particularly in the southern Prairies, I believe the present conditions presage yet another drought year, unless heavy rains come in the spring and summer. The PFRA tells us that in that same area in the south there exists the lowest water table in recorded history and the least amount of subsoil moisture. That does not bode well for a good crop this year. I am not a prophet. I do not come from Delphi, although I wish I did—on the other hand, I am from the right race—nevertheless, I do not see a good year on the horizon for this area unless the Good Lord provides a different climate in the next month or two.

Honourable senators, another factor in this equation is the butchering of commodity prices that is occurring as a result of the Americans competing with the European Economic Community. That, incidentally, has nothing whatsoever to do with free trade; it has to do with international trade.

Another factor in the equation is the fact that many farmers have lost hope. They have almost despaired. There are areas, as Senator Olson no doubt will tell you in the next day or two, where there have been five and six years of drought in a row, with no crop along the border between Saskatchewan and Alberta. Those areas need help. I am not saying they need help of the magnitude that they will have jam and butter all over their slices of bread. However, I do think that highly focused attention must be paid to some of these areas, because not only are we losing our best farmers but we will lose some of our best farmland.

Honourable senators, in bringing this report to your attention I hope you will read it again and think of our farmers on the Prairies. Although there have also been some problems with the potato crop on Prince Edward Island, I believe we must primarily focus on the grain, beef and pork areas of the three western provinces.

● (1530)

Honourable senators, I thank you for your indulgence and kind attention.

Hon. H. A. Olson: Honourable senators, I want to say a few words about this report. As the chairman of the committee, Senator Barootes, has already mentioned, the steering committee held a number of meetings before it decided that it ought to update the report of a few years ago on the farm credit crisis to see whether or not there had been any significant improvement in the circumstances of the farmers who were affected by drought and low commodity prices in a number of areas of Canada.

I want to say at the outset that while I had been keeping a file on what I heard in evidence and from my own experiences in talking to people, particularly in western Canada, I shall not refer to that file, because Senator Barootes has given a very accurate reflection of what we heard in evidence. Moreover, I take it from some of his conclusions and from his experiences in Saskatchewan in talking to people he knows there that the report is an accurate reflection of the real world as far as