

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session - Seventeenth Legislature
44th Day

Wednesday, April 26, 1972.

The Assembly met at 10:00 o'clock a.m.
On the Orders of the Day.

WELCOME TO STUDENTS

HON. W. E. SMISHEK (Regina North East):— Mr. Speaker, on behalf of the Hon. Member for Wascana constituency (Mr. Baker), I would like to extend a welcome to the students who are here from the Douglas Park School. They are here accompanied by their teacher, Mr. Monkhouse. I may draw the attention of the House that this is the school that my children attend, and with the group is my son. I extend a warm welcome to these students and to Mr. Monkhouse and hope that their stay this morning in the Legislature will be pleasant and exciting.

HON. MEMBERS: Hear, hear!

QUESTIONS

REQUEST TO WITHDRAW LAND BANK BILL

MR. J. WIEBE (Morse):— Mr. Speaker, before the Orders of the Day, in the absence of Chairman Messer, I would like to direct this question to the House Leader. In light of the fact of the statement made by the National Farmers' Union yesterday requesting the Government to withdraw its Land Bank Bill, go back to the farmers in the country and remove the numerous regulations that are now in this Bill. What direction is the Government planning on taking in regard to this request?

HON. R. ROMANOW (Attorney General):— I am not familiar with the statement. I have not discussed this matter of recent date with the Minister of Agriculture. I know that as of yesterday his intention and the intention of the Government, and it is today as far as I know, to proceed with the Bill as is.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW:— I would remind the Hon. Member that the Minister of Agriculture has taken this Bill to the farmers of the Province of Saskatchewan in over 13 hearings, if not more, to hear their views. In my estimation, as one Member of the Government, a very adequate representation and opportunities to be heard have been given to the people of Saskatchewan prior to this Bill coming in.

SOME HON. MEMBERS: Hear, hear!

ADJOURNED DEBATES SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Thorson that Bill No. 106 - **An Act to amend The Mineral Resources Act** be now read a second time.

Motion agreed to and Bill read a second time on the following recorded division:

YEAS - 37

Messieurs

Blakeney	Thorson	Gross
Dyck	Whelan	Feduniak
Meakes	Kwasnica	Mostoway
Wood	Carlson	Comer
Smishek	Engel	Rolfes
Romanow	Tchorzewski	Lange
Snyder	Richards	Hanson
Thibault	Owens	Oliver
Larson	Robbins	Feschuk
Kowalchuk	Cowley	Kaeding
Brockelbank	Taylor	Flasch
MacMurchy	Faris	
Pepper	Cody	

NAYS - 14

MESSIEURS

Steuart	MacDonald (Milestone)	McPherson
Coupland	McIsaac	Lane
Loken	Gardner	MacDonald (Moose Jaw North)
Guy	Weatherald	Wiebe
Grant	MacLeod	

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Messer that Bill No. 110 - **An Act to facilitate the Acquisition and Disposition of Farm Land in Saskatchewan** be now read a second time.

MR. J. K. COMER (Nipawin):— Mr. Speaker, I should like to address a few remarks to this Bill before us, a Bill that is setting up the long awaited Land Bank. A Bill which the Opposition at times have supported the idea and now they apparently support a Land Bank, but not this Land Bank. If we brought in their Land Bank, they would support another Land Bank.

I should like to look for a few moments today at the history of land tenure in the Western World. In the not too distant past, land was held by large land owners under the feudal system with individual farmers farming the land as serfs or as peasants. In most of Europe culminating really in the land century, there was a movement for the ownership of land by the men actually farming. Most of Europe eventually adopted this system of land ownership, ownership by the tillers of the soil itself. In North America we pretty well, with very few exceptions, have in the past accepted this system of farming. The land was owned by the tillers. In many respects, many of the people who

came to North America looked at land ownership as the panacea, the way that they could make a better living, a better life. In many respects in the past in North America this has been the case, by owning their own land farmers were able to improve their lot significantly over the countries that they had come from. Today, where everyone demands a certain standard of living, where one can't get a free half section, where agricultural prices have not kept pace with other products, where machinery investments have grown substantially and where machinery prices have increased greatly, the freehold system of land tenure has turned, for many farmers, from the life-line into a noose.

Today, assuming that a young man has the capital to buy machinery he needs, assuming he has the capital to build the buildings he needs, and assuming he has sufficient working capital to get going, he would have to assume an enormous debt to buy a viable unit. Even at the Farm Credit Corporation rate, land is no longer free in any sense. The cost of land is tremendous for many farmers, it is the millstone which will drag them down, and it is getting worse as time goes on.

Farming in this country will remain viable as we know it today, only if the ordinary farm boy can take over land cheaply. Purchasing land will not be possible, he will not be able to take over the land he needs to farm. If we continue the system of having farms held by purchase, we are going to see the trend of farms getting bigger and bigger continually. We are going to get bigger and bigger blocks of land, fewer and fewer farmers. The Opposition in this House has suggested low interest loans, making it easier for people to buy land. But I think they fail to understand that even if you do give low interest loans, if you burden farmers with the tremendous debt of having to buy land, you are not going to stop the trend towards bigger and bigger farms, fewer and fewer farmers.

This is what the Liberals in fact are suggesting by staying completely with the freehold system of land tenure. I am sure they don't mean it, but that is the implications of their stand, they want fewer and fewer farms. I think this is pretty well indicative of the Liberal Party in most things including agriculture. They don't want to see any change. They are afraid of change, even though the change is for the better. They would rather be able to whip up a little bit of support from a small group of people than make any meaningful change to help the mass of the people in the province. Their stand is based on a misunderstanding, a lack of understanding of what is happening in agriculture in Canada, especially in Western Canada, and it is based on a fairly narrow political consideration. If they can get a few votes by complaining about something, that satisfies them, even though the problem gets bigger and bigger.

The other day when the Hon. Member from Melfort-Kinistino (Mr. Thibault) was speaking he mentioned that parents do not buy a school when they want to educate their children. As a teacher I do not buy a school, a group of us do not get together and form a corporation and buy a school. Nurses and doctors don't buy a hospital. Oil companies don't buy the land that the oil is in, they lease it. A company that is in cutting timber for lumber or for pulp doesn't buy an enormous block of land, it leases it. In many respects, this is what makes them viable. Because farmers in the past have had

to buy land, this is what is making, to a large degree, farming not viable, making it almost impossible to get into farming. That is why I think there is a great advantage in allowing men who want to get into farming to rent the land, not to have to put out the enormous capital.

There has been some talk about the rent being too high. This may well prove so, we may have to look at this. But I think we are going to have to follow the principle which it is odd the Liberals would not support, of charging the interest. They were the ones who in Crown corporations for years complained that the CCF wasn't getting the interest on their money.

I should like to spend a moment or two on one last aspect of the Land Bank. Something that hasn't been mentioned here, something that to many people probably seems a small consideration. This is the matter of land taxes. As many of you probably know in Nipawin constituency there are fairly large blocks of land, agricultural land, that are let out on cultivation leases. One of the problems that the municipalities have had is collecting taxes on these leases. If the farmer doesn't pay, you can't take the land, all you can do is let the Government know and have the man evicted. The Land Bank Bill allows the Government to pay up to two years' taxes on land, if a farmer is in difficulty or if a farmer's lease is terminated, or if he voluntarily terminates it. Now I think this is a fairly good clause in this Bill. Some people will argue that the Land Bank should pay all the taxes. There are disadvantages to this. Because if the Land Bank pays all the taxes, the farmer on that land in no sense is a part of that municipality. He doesn't vote in it, he doesn't vote on money matters, he has no real say over where roads go. We can hardly expect the Land Bank Commission to go around and decide where grid roads are going to go, where they are going to cast their votes. So that by allowing or having the lessees pay the taxes we allow them to participate in municipal government. At the same time, by having the Land Bank Commission able to pay up to two years of the land taxes, we make it possible when there are cases when a farmer that is leasing the land does not pay his taxes, the municipality can get some of the money back. I think this is important. At the same time it puts some onus on the municipality that if a person is getting delinquent in his taxes to come to the Land Bank Commission and let the Land Bank Commission know rather than has been the case with lease land that municipalities have often let land taxes go for a very long period of time and have not let the Lands Branch know of course, the Lands Branch is in no position to do anything if it doesn't know the taxes are behind. I think this principle is sound. There will be people that claim it goes too far and people that claim it doesn't go far enough. I think it is a good compromise. I think it will work well.

There are many other things that could be said about this Bill, about the Land Bank Commission. There are many things that already have been said. But I think the most important thing that could be said is that it is an important departure from the agricultural policies of the past in this Province. I am proud to be part of a government that is introducing such a piece of legislation. I am proud to be able to support such a piece of legislation.

SOME HON. MEMBERS: Hear, hear!

MR. P. P. MOSTOWAY (Hanley):— Mr. Speaker, I want to go on record as having spoken in favor of this momentous piece of legislation which is before the House. It is momentous in that it embodies a new and bold concept insofar as one of our most precious natural resources is concerned, agricultural land.

First, I should like to direct a few words to the loyal but misguided Members of the Opposition who, true to form, are against anything that denotes change for the good of the people of this Province, just as they have always been and no doubt will be in the future.

MR. ROMANOW:— You don't mean to say. . .

MR. MOSTOWAY:— Yes, and I don't blame them. For them to think in terms of change is inconceivable, because the big boys wouldn't allow it. Who are they to stand against the big boys who are always ignoring the rights of 99 per cent of the people because one per cent may have to give up a small portion of what might not be morally theirs in the first place? Well, we always say that if your Opposition knows deep down that you are on the right track, they may resort to name calling. Mr. Speaker, I implore certain Members opposite not to resort to Hitler and Stalin-like tactics in their desire to belittle this Land Bank proposal. Members opposite might do well to admit that deep down they, too, favor this legislation, if they could only admit it. And if they did, I am sure that their credibility gap would be narrowed so as to not be the embarrassment which it now is to them.

Mr. Speaker, I believe the key word insofar as this new concept is concerned is the word 'voluntary'. Are Opposition Members trying to downgrade the intelligence of the Saskatchewan farmer? Well, if they are, I would suggest they had better avoid the rural areas of this Province for quite some time. No, Mr. Speaker, there will be no compulsion. This Government believes that our farmers can make up their own minds just as they have about Saskatchewan Power, hospitalization and Medicare, and they are not going to be misled by Liberals as they came close to being in the past on the three points that I just mentioned.

Mr. Speaker, why should land transfer as is now the case always imply enormous interest payments to finance corporations?

MR. ROMANOW:— The Liberals want that.

MR. MOSTOWAY:— Well, certainly. Are Members opposite fighting for the lending corporations? Why don't they take the side of the Saskatchewan farmer for a change? Mr. Speaker, the situation today is such that a young farmer practically mortgages himself for life if he wants to start farming. Well, I'll grant you that many take this path, and I say good luck and more power to them if they so choose. However, there are a number of young potential farmers who do not wish to travel this route. They are quite content to farm without eventual ownership. Should they not be allowed to farm, content in the knowledge that they can easily get out if they so choose?

Mr. Speaker, the Member for Cannington (Mr. Weatherald),

has expressed concern that the Land Bank may become extremely political. Well, doesn't he know that anything Government touches may become so, but usually doesn't and I wonder if he knows why? Well, I'll tell him. It is because the people of this Province have a nice way of showing this displeasure with a government that injects politics into the carrying out of legislation. Now, this nice way is called an election, just like the one that we had last June 23rd.

Mr. Speaker, it is with pride that I say I have faith in the farmers of this Province, even though the Members opposite may not. I have faith in their ability to help this Government make this Land Bank work. If only the Members opposite would pour out their hearts and endorse this proposed legislation, we could have some faith in them too, maybe.

Mr. Speaker, I support the Motion.

SOME HON. MEMBERS: Hear, hear!

MR. E. F. GARDNER (Moosomin):— Mr. Speaker, before I begin I should like to make a comment to the House Leader. In going down the Order Paper he said we couldn't proceed with Bill No. 115 on Foreign Ownership of Farm Land because the Minister wasn't here. So we continue and two or three minutes later he immediately calls Bill No. 110 on the Land Bank, even though it is of extreme importance as everyone knows and the Minister of Agriculture is still not here. So I fail to see the consistency of the House Leader in this regard.

MR. ROMANOW (Attorney General):— Mr. Speaker, just on a Point of Order for clarification of the Member, because the Minister had indicated that he will have some additional words or comments to make on the previous Bill. On this one he has made a second reading speech and it is likely to be a long debate and what will be said he can pick up in the recordings of the proceedings. He'll be back this afternoon. As a matter of interest he is acting for the farmers on a very important hearing before Transportation in Saskatoon.

MR. SPEAKER:— When Government Orders are called, I think, as all Members are aware, Government can call whichever item they wish and I don't think that is a debatable topic.

MR. GARDNER:— We are still rather disappointed that on an issue such as this that the Minister of Agriculture is not here to listen to the debate from both sides of the House. I am sure Members on his side and our side are going to have points of interest in this debate and we are a bit disappointed that he is not here.

MR. ROMANOW:— I'm taking notes.

MR. GARDNER:— Well, if I was the Minister of Agriculture I would have someone else take the notes because I would be a little concerned about the accuracy of the report that he might get from the House Leader.

The Member from Nipawin (Mr. Comer) got up a few minutes ago and he mentioned some pros and cons of the Bill and he said

some people think it goes too far and some don't think it goes far enough. But I have no hesitation in telling him my position. As soon as the Bill was announced or the suggestion was even made I was convinced at that time that it had gone too far and I haven't changed my ideas since.

Mr. Speaker, the long wait as far as looking at the Bill, is over. We have finally received one of the major pieces of legislation. It was discussed throughout the province and we had expected it the first week or so of the Session. The Session has gone on for two months before the Minister had the courage to bring in the Bill that he has finally produced. Now I am not going to repeat the arguments against the plan because they have been well put forward by my colleagues and they are pretty well known. When the original booklet on the Land Bank was published and as you know it is popularly known as the "Thoughts of Chairman Messer", some people had the opinion that it was purposely made severe. This is not a new tactic. We thought, and other people thought that he purposely made some very severe suggestions in this booklet and we again thought the Minister would soften up some of these conditions when this legislation was produced. However, it appears that our worst fears were justified. The legislation is as bad and in some cases it is worse than the original suggestions that were made in Chairman Messer's booklet. I had thought that the more moderate people in the NDP would have some influence on this Bill and by the length of time they were working on the Government, two months, I thought that something would come out of it and they would backtrack a bit on some of the more severe conditions. However, it is quite obvious that the radicals and the Wafflers have won a resounding victory and the Bill was finally produced as it was suggested in the first place.

Now this Bill, Mr. Speaker, has a very clear message for the farmers in Saskatchewan and it has become clear since the Bill has been produced. The message is simply this:

1. The NDP Government wants your land.
2. They want it as cheaply as possible.
3. The NDP Government has no intention, or ever had any intention of selling any of this land back to the farmers of this Province.

This is the message for the farmers of this Province. No one has denied them. No one has made any effective argument to the contrary. The NDP keep calling this a land transfer program. The land transfers only one way. I was interested to note under the purposes of the Act, a very high sounding phrase:

To residents of Saskatchewan to enable them to establish or maintain family farms in Saskatchewan by increasing the opportunities for them to acquire land for farming.

And, everyone in this House knows that everyone in the province knows that they are not making any attempt, in fact, they are preventing a farmer from ever acquiring title to any land. All he is getting is a lease. So the transfer that they talk about is simply a one-way street. The transfer is one way. There is no help to transfer land from one farmer to another. There is no possibility of a transfer of land from the Government to a farmer. The whole plan is based on the transfer of land from

individual free farmers today to the state. Thousands of acres of land that is now owned freely and under the control of an individual farmer will be transferred to and under the control of this NDP Government. No one makes any attempt to deny this.

The history of man, Mr. Speaker, over the centuries is dominated by his desire to own his own piece of land. When the Member for Nipawin (Mr. Comer) first got up I thought he had been reading my speech. There is no other single factor that has been more important in the history of man. At times and in areas where the church or the state or the feudal barons have controlled large tracts of land there has been a constant struggle by the people to be free to own their own land. This one factor has been the cause of numerous wars, revolutions and mass migrations. In many places in the world this struggle is still going on, in South America, many countries in South America, India and in the Middle East. People came to Saskatchewan basically for one reason. They have come here for the last 80 years for this reason. They didn't come because they liked the climate or they liked the scenery. They came from Poland, from Scotland, Ukraine, Hungary, Ireland and many, many other countries and they came for one reason. They came because Saskatchewan gave them an opportunity to own their own land, not to be a tenant as their ancestors had been for hundreds of years but to be free to own a piece of land of their own. This NDP Government is trying to set the clock back 200 years. I predict that the people of this Province, the farming people and the rural people, will simply not stand for it. If the NDP think that this is what the farmers want then they are very seriously misreading the farmers' opinions.

Land Bank meetings, Mr. Speaker, were held in a familiar pattern and it is quite interesting to look back on them. I attended the one at Yorkton. Massive publicity and good crowds because of a popular issue and a desire by many older farmers to sell. The meeting began with a series of half truths presented by the Minister to confuse the crowd; a number of planted questions; high paid assistants rushing around among the crowd, planted questions to put the Minister in a favorable light. The initial enthusiasm by the farmers turning first to disillusionment and finally to complete opposition to the Government land-grab scheme. Again I suggest that if the Minister thinks the farmers want this plan he is completely wrong. Don't be fooled by a big crowd at a meeting, Mr. Minister. My colleague from Cannington (Mr. Weatherald) got almost as big a crowd a couple of years ago at Maryfield when he went down to a meeting to explain why the hospital was being closed, and I wouldn't be surprised if it is for much the same reason.

Now the Member from Canora (Mr. Matsalla) yesterday I believe, in the debate, said that we had a Land

Bank workshop, four Land Bank workshops I believe he said and may I repeat he said 'we'. I went to one of these workshops in my area and I can tell you I never saw such a farce in my life. As I came in the door everyone was given a little booklet of Chairman Messer's thoughts and a long form made up by the Government with a list of loaded questions. We were divided into little groups and set around the tables.

Everything was very friendly and we were instructed by the person in charge. . .

AN HON. MEMBER:— Who had the meeting?

MR. GARDNER:— Well, you heard the Member from Canora yesterday, he said, ‘We had meetings, we had the local meetings’. We were instructed to read the questions on the sheet, look up the answer in Chairman Messer’s book and fill in the blanks. Many examples, it said on the little sheet, ‘Who should be given priority in leasing?’ So we look it up in Chairman Messer’s booklet, we fill in the blanks that we are given on this little prepared sheet. When we were all done these forms were collected by the person in charge, sent in to the Minister as an indication of people’s support for this scheme. And, about two thirds of the way through one group of farmers got up and shook their heads and walked out and I don’t blame them. The NDP are making a big mistake in underestimating the intelligence of the average farmer. He is certainly not that easy to fool and he is not being taken in by that type of a meeting. If he thinks the farmers are going to allow themselves to be converted into tenant ratepayers, he is wrong. Farmers have no desire to participate in socialism by working all their life for the state and then leaving the land with nothing.

Mr. Speaker, the introduction of this Bill, the statements by the Minister in the debate so far have established and proved several points.

MR. ROMANOW:— Tell us what you. . .

MR. GARDNER:— I can’t because there may be some ladies in the crowd someplace. The rules of the House prevent it.

The NDP Government, first of all, this has been clearly established in the House by statements by the Minister, by the debates so far, the NDP Government have little or no intention of ever selling any land back to young farmers. Now the Minister talks about an option to buy after five years and he knows this is not really an option. What he is saying is that no land, not one acre, will be sold to anyone until after the next election. Farmers know you can’t possibly buy it before five years so nothing will be sold to anyone before the next election. Farmers know that if an NDP Government by some quirk of fate was ever re-elected they could easily pass regulations to prevent land sales after that by the Government. The Bill prevents farmers from purchasing for five years and NDP changes after that could mean no sales would ever be made back to the farmers. Now the Minister in trying to pass this off in his usual glib manner says we have a similar option in the lease of grazing land. But he also told us in Estimates I believe, and it’s my understanding that since they have become the Government they are not selling grazing land back to the farmers and if you want to make a note of this, if you are making notes for him, Mr. House Leader, have him tell us when he closes debate how much grazing land they have sold, even though there is a five-year option, how much you have sold back to the farmers since you became the Government or since last July? It has been effectively proven in this House that it is simply not cheaper to rent than to buy land. The young farmer buying the land on the long-term basis through a Farm Credit Corporation or some other agency is getting a much better deal than he would get leasing from the Land Bank. Any young farmer who gets tied up with a lease from the Land Bank in its present form is in for real trouble. You know even the Court Jester from Saskatoon Nutana Centre (Mr. Robbins) failed to convince anyone yesterday, I believe, that it is better to

rent. It appears that the NDP have pretty well abandoned their attempts to convince farmers that it is better to rent.

Incidentally, I talked to one of the Members over there about the Member for Nutana Centre, he always has these verses, these rhymes for us and I wondered how he got around to writing them. This chap said he understands he does it as soon as he gets up in the morning. As soon as he gets up in the morning he starts writing up these poems and I said, well, I believe it's because he seems to be going from bed to verse.

SOME HON. MEMBERS: Hear, hear!

MR. GARDNER:— Mr. Speaker, I should like to say that the people of this Province do not want the Land Bill proceeded with in its present form and at the present time. They don't want it now, they don't want it in its present form. Individual farmers, farm organizations want the Bill held up. They have made this quite clear. Farmers' unions and other groups, individuals, they want more time to look at it. They want the Bill held up.

The Government would do well to listen to the farmers and to their organizations. This is an important issue in rural Saskatchewan at this time. I'm sure they are well aware of this. And I have a suggestion for the Minister which would give a true indication of the feelings of the farmers in this regard. I would suggest that a plebiscite should be held in rural Saskatchewan so that people can clearly express their views on this important issue. Now there are a number of precedents for plebiscites on issues of much lesser importance than the Land Bank and I call on the Minister to withdraw the Bill or hold it up at the moment to hold a plebiscite. If he doesn't want to do it in all of Saskatchewan, select an area, hold a plebiscite and he will know whether or not he has a mandate to proceed with this very severe legislation. If he is sure of his support he has nothing to fear from a plebiscite. It could easily be done. There's no problem with it. Nothing is more democratic, Mr. Speaker, than a plebiscite on a very key issue.

AN HON. MEMBER:— June the 23rd.

MR. GARDNER:— I'm sure that the Members opposite know much better than that. The fact that they have taken two months to try to come to some agreement themselves, the battles they've had in caucus, they know as well as anybody else that June 23 gave them no mandate to proceed with this type of legislation. So that there is no doubt, this is the most democratic way to find out the situation, to find the true feelings of the farming people. They have nothing to fear if they are sure that their support is there and again I should like to call on the Minister of Agriculture (Mr. Messer) to withdraw the Bill, hold some type of a plebiscite to indicate the support or non-support of this Bill throughout rural Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW:— Mr. Speaker, before the Hon. Member takes his chair, will he permit a question? I want to be clear.

Is the Hon. Member suggesting that we hold a plebiscite of

the type and nature that the Liberal Party suggested we hold in 1962 on the issue of Medicare?

MR. GARDNER:— Well, Mr. Speaker, I don't know about something that happened ten years ago. This was before my day in politics and I'm not sure of the issue then. People tell me that because of the Medicare issue the former Government was defeated. The NDP Party was thrown out in '64. Perhaps if they had held a plebiscite they wouldn't have been out of the government for that seven years. I'm merely suggesting that this is an important issue in rural Saskatchewan. I'm not saying everyone should vote, farmers should vote, they should have an opportunity to express their views.

SOME HON. MEMBERS: Hear, hear!

MR. W. E. SMISHEK:— Mr. Speaker, could I ask this Hon. Member (Mr. Gardner) a further question? Would he be prepared to answer them?

MR. WEATHERALD:— On a Point of Order. We've had one question. Let's be honest.

MR. BROCKELBANK:— Mr. Speaker, Point of Order. The Member is not in his chair.

MR. C. MacDONALD:— Mr. Speaker, I'm in my chair on a Point of Order. Certainly this is just getting two Members into the debate, Mr. Speaker.

MR. SPEAKER:— Under the rules, a Member can permit a question if he wishes but if he doesn't wish to it's his prerogative to say no if he doesn't wish to permit a question. But I agree that it couldn't be in the form of a debate. A question must be short, distinct and to the point.

MR. SMISHEK:— Has he agreed to answer a question?

MR. GARDNER:— I think I would agree with the Speaker that these Members have an opportunity to contribute to the debate by getting up and making their speech. We'll listen to them then and they can say whatever they like.

MR. SPEAKER:— Order, order!

MR. M. FEDUNIAK (Turtleford):— Mr. Speaker, I am glad to see the farmer Members across in their seats at this time. I'm sure they are going to learn something when they listen to me.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— I would suggest that they get their notebooks and their pencils sharpened and I might also suggest that perhaps they should take their shoes off, because they might need a little assistance there too.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— Mr. Speaker, the Land Bank is a new one and a lot can be said about it.

Before I make some comments on it I should like to remind the Members on the other side of the House of the remarks made by the new Member for Morse (Mr. Wiebe), who only told us one side of the story about the Land Bank. The example he put forth was based on six quarters of land leasing at \$5 an acre would cost \$4,800 annually. Leasing this unit for thirty years would cost this farmer \$144,000. I should like the Members to take notes of it, take the figures down and if they would like to see me afterwards I'll challenge them.

Mr. Speaker, now I will give you my realistic example, but I will tell you the whole story, not just the one side. I will use the same example as the Member for Morse, namely six quarters of land, making 960 acres, leasing at \$5 an acre. I will also give you the true picture of this operation if this land was purchased instead of leasing, being honest about this report as NDPs always are. . .

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— . . . I will take 960 acres and use it as the basis of my income. One third of 960 acres would be summer fallowed each year thus resulting in cropping only 640 acres each year. Now 640 acres yielding say 40 bushels of wheat per acre would yield 25,600 bushels at \$1 a bushel, which is placing it very low, would result in an income of \$25,600. In thirty years this would amount to 30 times 25,600 - would amount to \$768,000. By purchasing this land at \$100 an acre it would cost \$96,000. If the rate of interest was say ten per cent the first years' interest would amount to \$9,600. If the payments on this land were made consistently every year without fail, the interest on the graduated scale for 30 years would add up to \$144,000. This amount of interest coincidently is the same as the cost of the rent for 30 years.

These two comparable examples reveal to us that if the farmer purchases this land he would be subject to principal payments each year besides the interest. In this case the principal amount would be \$3,200 per year. Mr. Speaker, by paying \$3,200 a year for 30 years, to pay off \$96,000 he would have tied up his money from one to 30 years. On the other hand, if he would deposit this money each year in the Credit Union at 8 per cent, it would net him \$256 interest annually for 30 years, making the sum of \$7,680 plus compound interest on the same amount would net him \$4,840, or a grand total of \$12,520.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— Add the principal payment of \$96,000 to this amount and he would end up with \$108,520. Now, Mr. Speaker, in other words at the end of 30 years if he rents the land he would have paid \$144,000 rent. He would own no land but he would have \$108,520 in the Credit Union or the bank of wherever he chooses. If he bought this land at the end of 30 years he would have paid \$144,000 in interest, he would own the land worth \$96,000 but he would not have \$108,520 in the Credit Union. And in the case

that the land prices go down he would stand to lose some more.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— Supposing, Mr. Speaker, this farmer decides to buy this land after five years. Basing my figures on the amounts of income and taking only one third, would provide him with \$8,533. In five years this amount would amount to \$42,665. With this amount he would be in a financial position to purchase this land if he so desires.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— No compulsion, absolutely voluntary. So you can compare one concept with the other, or one element with the other. And I think that the man who would be renting would be in a better position because at the end of 30 years he is not tied to the land, he's got the money, he can retire.

Mr. Speaker, with the crop insurance this farmer would be assured in case of crop failure, to be able to make his payment.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— The Liberals do not believe in security for the farmers. They have not implemented any programs which would relieve the farmers of the constant fear and worry of crop losses and being put in a difficult situation whereby they are not able to meet their responsibilities in paying their bills and taxes.

Mr. Speaker, I can remember and I will remind the Members on the opposite side of some of their Party policies, like the Soldier Settlement Board which was just a farce and never did give any concrete security, nor solutions to these men who gave so much of themselves, many of them as a result of their participation in the forces came back with permanent disabilities of all natures, with very little or no compensation for their injuries and the time lost.

Mr. Speaker, as one looks at our economic situation in Canada and the ever overcrowded cities with their shortcomings, pollution, housing shortage, unemployment, it is probably very urgent that we allocate or make it possible for more of our young people to settle in rural areas.

Mr. Speaker, when we look at the population explosion in the world, the fact that food is becoming scarce in the world, the fact that millions of people are going to bed hungry every day, perhaps we should be looking in the direction of putting food on the very high priority list and strive towards this important goal by supporting the Land Bank which will create and engage more of our young people in agriculture in order to make it possible to produce as much food as they can.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— Mr. Speaker, I believe that surpluses and reserves of food would be a very healthy and welcome situation in any

country.

I remember that the Liberals used to say, and they still say the same things they said 30 years ago about our Party, if the CCF goes into power they will take your land. This is 30 years ago, Mr. Speaker.

Mr. Speaker, I don't know what land they were referring to because at the time only 5 per cent of Saskatchewan people owned land. The rest of the land belonged to the banks, mortgage companies, insurance companies, machine companies, trust companies and some Liberal lawyers.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— Farmers used to ship grain and not receive enough for it to pay the freight. You remember those times? If you don't I can remind you.

Mr. Speaker, I should like to read and relate the Liberals' attitude towards the Land Bank, with their attitude towards other programs that our Government introduced and put to work very successfully. Let me remind the Members on the opposite side of the Saskatchewan Power Corporation. They opposed it in this House saying that it would never work. I would like to mention the SGIO when it was introduced. I still remember what a Member opposite said about it in this House. He said, if the Liberals get in power they would throw the Saskatchewan Government Insurance out of the window. And who do you suppose would be here to catch it? The Member for Meadow Lake (Mr. Coupland) would probably be there.

That reminds me, when he spoke here some time ago he was so concerned about the farmers that he remarked that the most devastating problem that he was confronted with in his area was the liquor vendor in Glaslyn.

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— Mr. Speaker, remember the Hospitalization and the Medicare and what did the Liberals do? They supported a strike of the group of our highest paid people in our community and due to this action the result was at least one death.

Mr. Speaker, the Liberals call the Land Bank socialism. They don't like socialism because it works. The only place they like to apply socialism is to free aid-free enterprises like Parsons and Whittemore.

Mr. Speaker, I must commend our Minister of Agriculture (Mr. Messer) who has worked very hard and listened to many of our people in drafting this very fine Bill. . .

SOME HON. MEMBERS: Hear, hear!

MR. FEDUNIAK:— . . . which will make history in our Province like some of our other programs I made mention of earlier. I will support the Bill.

SOME HON. MEMBERS: Hear, hear!

MR. J. WIEBE (Morse):— Mr. Speaker, before the Member sits down, would he permit a question?

The Member from Turtleford (Mr. Feduniak) in his figures used or quoted 40 bushels per acre. If I sell my land to the Land Bank Commission and rent it from them, would he and his Government guarantee me 40 bushels an acre for every year that I lease the land from the Commission?

MR. FEDUNIAK:— Mr. Speaker, the Member from Morse is absolutely ridiculous in asking or supposing such a question because this question can only be answered by God, in my estimation.

SOME HON. MEMBERS: Hear, hear!

MR. E. TCHORZEWSKI (Humboldt):— Mr. Speaker, I take great pleasure in rising to speak on this debate, on legislation as significant and important as this legislation is.

Before I proceed, Mr. Speaker, I would just like to make some remarks on some of the comments made by the Member from Moosomin (Mr. Gardner) when he spoke of a plebiscite. I should like to remind him, and it's unfortunate that he's not here to be reminded, because maybe it would be worth it for him to think about it. I should like to remind him that the Liberals promised to hold a plebiscite on the prescription drug plan somewhere around 1967.

SOME HON. MEMBERS: Hear, hear!

MR. TCHORZEWSKI:— You know, Mr. Speaker, for seven years we waited for that plebiscite and for seven years, Mr. Speaker, the people of Saskatchewan waited for that plebiscite. I wonder if the Hon. Member could tell us, the Hon. Member who is now full of virtue and sanctimony, in telling us there should be a plebiscite on the Land Bank, why the Liberals didn't hold that plebiscite?

And there was another issue, Mr. Speaker, not so long ago with regard to deterrent fees. Deterrent fees which were probably one of the cruelest forms of taxation that could be found. It was clear throughout the Province of Saskatchewan that there was a great deal of opposition to deterrent fees and why did the Liberals at that time not hold a plebiscite on whether deterrent fees were going to be something that people wanted to have?

Now, I submit, Mr. Speaker, that on June 23rd a plebiscite was held. We held that plebiscite and put before the people our program and one of the major items in that program was the proposed legislation of a Land Bank. And I think the makeup of this House, Mr. Speaker, clearly shows whether the farmers of Saskatchewan wanted a Land Bank.

SOME HON. MEMBERS: Hear, hear!

MR. TCHORZEWSKI:— It's unfortunate, Mr. Speaker, that the debate on this Land Bank legislation is pitifully lacking in positive criticism from the other side of this House. You know the only alternative given was a headline saying something to the effect that a

Liberal MLA 'Provides Alternatives'.

AN HON. MEMBER:— Was it the Leader-Post?

MR. TCHORZEWSKI:— Yes. But the unfortunate thing is that the alternatives stop with the headline.

SOME HON. MEMBERS: Hear, hear!

MR. TCHORZEWSKI:— If the Member opposite thinks that piling mortgage upon mortgage is going to help farmers, then he is so far in right field, Mr. Speaker, that he can't see home plate.

The Member for Morse (Mr. Wiebe), and unfortunately he's gone also, spoke the other day of the Land Bank Bill and he says he opposes it. I assume from what he said that the Federal Government will be bringing in a Land Bank Bill. I don't know where he got that idea from. That they are going to introduce it and if it was done by the Federal Government he would support it. In other words, what he is saying is, if it's a Liberal Government that brings in legislation, he would support it. If it's anybody else that brings in legislation, he's going to be dead against it.

AN HON. MEMBER:— Purely political.

MR. TCHORZEWSKI:— Right. Opposing legislation for childish, political reasons.

SOME HON. MEMBERS: Hear, hear!

MR. TCHORZEWSKI:— They also spoke, Mr. Speaker, of a continuous burden for the entire farming life of a farmer under the Land Bank. And if somebody is taking notes for the Members opposite, maybe they could also answer this question - whether the payment's made to FCC, or whatever you have for 30 years on interest and on capital, are not a continuous burden for the 30 year span of a farmer. I agree with the Member from Morse that we have a serious problem of land transfer and I'm glad he recognizes it. But I don't agree with some of the arguments that he uses. He says that in the Land Bank legislation there is not going to be any opportunity to own land. Either he hasn't yet read the Land Bank Bill, Mr. Speaker, or he doesn't want to tell all of the facts because if he would read it, he would find that there is the opportunity to own land by those farmers who wish to own it.

MR. CODY:— You have to be able to read.

MR. TCHORZEWSKI:— Good point. The option for the purchase of land is there.

I just want to mention, Mr. Speaker, some of the reasons why I think a Land Bank is very important and very necessary information. The problems of agriculture are many and no provincial government can pretend that it could solve many of those problems which have grown and multiplied because of mistakes made in the past and because of Federal Government neglect. This Land Bank is not an attempt to solve or remedy all the difficulties that face Saskatchewan farmers today. The problems

of price paid for the farmers' produce must be recognized and tackled by the Federal Government. This being the case, our Government has taken action in this area by bringing in The Saskatchewan Grain Marketing Control Act which would give the Provincial Government power to impose floor prices on feed grains. The Land Bank is not meant to, nor can it solve the serious problem of inadequate price. The Land Bank will not solve the problem of ever-increasing cost of production. It is not meant to solve the problem of marketing.

Mr. Speaker, there is another serious problem which economists usually, if not always ignore. It is a social problem which is a result of our system of land transfer which has been established so that the only concerns that benefit are the banks, the finance and the mortgage companies. And in Saskatchewan today we are being faced with the real and frightful danger of severe rural depopulation. And this depopulation process, Mr. Speaker, is not new. It was rampant during the last several years as the economic squeeze of depressed-farm income and inflating costs choked many farmers out of the business of farming. This is not new and to some extent it will continue, but there is reason to believe that it may accelerate in the next ten years or so. One has only to note that the average age of farmers in Saskatchewan is in the late 50's. In ten years many of those farmers will have retired or will soon be retiring. Many of them are unable to retire because they have no savings. They have no savings because their savings have been swallowed up by capital costs of machinery or the expansion of the farm unit or because of very little income in the past several years. The result is that in order to retire in some comfort and dignity the farmer must sell his land. And in selling his land he may want to sell it to his son or his son-in-law. This, Mr. Speaker, is where the problem begins to grow and have ramifications in all of Saskatchewan's rural society.

The son is unable to buy the land from his father because he is unable to get enough mortgage money. The farmer cannot retire unless he sells so he must look for another buyer who usually is a larger farmer in the area or someone with money to invest who has no intention of farming and contributes nothing to the community. Some are able to find the mortgage money, Mr. Speaker, and I am not about to deny that. But at the same time, we must not set aside the fact that those who spend their productive years paying off the mortgage for 30 years and if they are fortunate enough to pay off the mortgage after being sapped dry by atrocious interest charges, they are ready to retire and the whole cycle starts again.

Mr. Speaker, it is this cycle that the Members opposite have foremost in their minds when they oppose this imaginative and important Land Bank legislation. Being the spokesmen for mortgage companies and finance companies, the Members are struggling to protect their high interest collecting friends. They are struggling to prevent a situation in which these large financiers can continue to take a rake-off every time a new generation takes over a farm. And the Members opposite don't appear to have the backbone, Mr. Speaker, to admit that the Land Bank may be of significant help. First, to help the farmers retire in dignity and second, in transferring land to the younger generation.

The Hon. Leader of the Opposition, the Member from gerrymandered Prince Albert West (Mr. Steuart), has taken up the worn

out scream of communism. And let me say to him to go right ahead and put any kind of labels he likes on the Land Bank or any other legislation, Mr. Speaker. It is the actual working of the legislation, Mr. Speaker, which will be recognized by Saskatchewan people. The ravings of the Leader of the Opposition last Friday were an echo of Liberal arguments and objections against SGIO and automobile accident insurance. His comments were as hollow as the arguments used by Liberals against hospitalization and Medicare. Those attempts by the Liberal Party to scuttle Medicare are not so long ago that people have forgotten. Already I am hearing people say to me that the Liberal Opposition and its criticism of the Land Bank has fallen into the same old mire as they wallowed in during the Medicare dispute, when some spokesmen even urged, Mr. Speaker, that people should get out in the streets and shed blood. Let me say, Mr. Speaker, that in opposing the Land Bank the Opposition is supporting rural depopulation, they are supporting the wiping out of our rural communities. This Government is committed to do all it possibly can to revitalize rural Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. TCHORZEWSKI:— The task will not be easy but we are prepared to tackle it because we believe in the value of rural life. We are willing to tackle it because we are aware of the importance of agriculture to Saskatchewan. I believe, Mr. Speaker, that we must not permit unrestrained centralization and urbanization. Therefore, I am very pleased that the Land Bank is being established because it will provide an opportunity for young people to start farming and this, in turn, will help maintain many of our rural communities.

The importance of the family farm is explained very well by Father Philip Loehr in the *Prairie Messenger* where he states:

There is simply no substitute for a sufficient number of farm families. Unrestrained centralization and urbanization whether in agriculture or in business, runs directly counter to human dignity and human aspirations. It tends to make out of people mere things, mere pawns in a system that is manipulated by remote control. The family farm should be a sociological unit, the maximum average size of farm holdings that will allow room for a farm population large enough to support thriving communities.

Mr. Speaker, in order to approach this suggestion, the system of land transfer must change. The present system leads to fewer and fewer farmers.

Let us consider the example of three farmers, Mr. Speaker. 'A' with three quarters of land, 'B' with two quarters of land and 'C' with seven quarters of land. B, with two quarters, sooner or later decides to sell and we all know who will buy it. It won't be 'A' because he cannot get the financing to pay for more land. The two quarters are sold to 'C'. Not too long later 'A' also sells out and in all likelihood 'C' buys him out as well. Where there were three farmers, there is now only one large one. As this goes on the whole community pays the price. The curling and the skating rinks can no longer be maintained. Stores close up and the community dies. This type of trend must be stopped to as great an extent as possible. The Land Bank will make it possible for farmers like 'A' with three quarters of land to rent the land which 'B' sells and he will be

able to remain in the community making an essential contribution.

The Members opposite say that they oppose this, Mr. Speaker. They are saying let 'C' accumulate all of the land. But they pretend not to know what the next step will be. When farmer 'C' with his 12 quarters of land wants to retire, he must look for a bigger buyer which will sooner or later be a big corporation. This, Mr. Speaker, is what the Members opposite seem to be supporting when they oppose the Land Bank.

Mr. Speaker, if you kill all the little bears in the forest sooner or later there won't be any more big bears.

We must provide an opportunity for our older farmers to retire and in so doing we must make provision for young farmers to take their place and the Land Bank is meant to do this. The Land Bank will guarantee that land can be transferred from father to son. Today, in many cases, the son is forced out of the picture for economic reasons and other reasons which I have outlined. Under the Land Bank the father will be free and able to transfer his land to his son, if the son is qualified to farm, without having to go through extensive mortgaging and financing. Farmers will be able to develop their property without fear that when they retire all will be of no avail because they will not be able to turn it over to the younger members of the family as is the situation under the present transfer system. Mr. Speaker, to aid new farmers and already established farmers who may turn to the Land Bank for help, I am pleased that the Commission will provide loans for capital improvements. This will be of important help to farmers to establish the capital equipment and facilities which they need to operate the farm unit. This will help the farmers to diversify and establish a more stable unit.

Along with this the Commission will be prepared to pay for improvements made to property by the lessee. A lessee invests in capital expansion and improvements he will be able to get paid for his capital investment should he give up the lease for whatever the reasons.

No doubt, Mr. Speaker, in spite of the extensive study and the research that was put into the development of this Bill, no doubt it will have its problems. Many kinks will have to be taken out in the initial stages. Mr. Speaker, this Government is not afraid of challenge and we are prepared to try new ideas. We refuse to sit back as Liberals do throwing up their arms in despair and saying, "Let's leave the status quo".

Mr. Speaker, the Minister of Agriculture has done a great job of discussing this legislation with Saskatchewan farmers. I commend him for going out to the communities where people live and listening to their ideas and we need more of that. This interchange of ideas has helped to develop this exciting and well thought out Land Bank Act. I will support it most emphatically and I invite the Members opposite to think more about Saskatchewan and the people of Saskatchewan and less about blind, partisan politics. I ask them to join with the Government to help the Land Bank work. They have an opportunity to share in the rebuilding of agricultural Saskatchewan and if they don't take this opportunity, Mr. Speaker, surely they will pay the consequences in another four years time.

MR. E. KAEDING (Saltcoats):— Mr. Speaker, during debates on the merits of the Land Bank, we have heard the Members opposite continuously criticizing the Bill on the basis that the rental charge which we have indicated will primarily be based on the cost of the money invested would be more than he could afford to pay. We have been treated with a combination of figures which purport to show that with a rental charge of 7 per cent plus the cost of operating there would be nothing left for living expenses. And, Mr. Speaker, in some cases they may be right. But I would point out to them that we have for the past number of years been laboring under the handicap of a Federal Liberal Government who appear for all intents and purposes to be completely oblivious of the financial straight jacket our farmers have been in. Only now, prior to another election are we finally getting some so-called relief in the form of two price wheat which isn't two price wheat at all but simply a subsidy to Western farmers whether they grow wheat or not.

The Members of the Opposition like to quote figures to prove that all cost figures cannot be met, when quotas are inadequate to allow farmers to sell their total production. Again, I agree that they may probably be right in some cases. Let me quote some figures from the Farm Business Summary of 1970 released by the Economics and Statistics Branch of the Department of Agriculture. These figures are a compilation of the average costs and returns of farmers reporting to that branch under their computer analysis system and as such represents the better than average farm units in Saskatchewan. These figures indicate that the average total farm costs in Saskatchewan for all soil zones including cash cost, labor, investment and depreciation for the five year period 1966 to 1970 was \$26.19 per acre. The total returns which include cash receipt plus increases in grain and livestock inventories, come to \$25.10 per acre or a net operating loss of \$1 per cultivated acre. Note that these figures are for the years 1966 to 1970 inclusive and that the returns in the first three of these five years were much higher than has been the case since 1969. Since that time the cost of farm inputs have substantially increased while the price of both feed grains and wheat has plummeted drastically. It arose out of the need to permit young farmers to continue to farm under a very critical cost price ratio. We are told that if a farmer is to pay 7 per cent for a rental charge that he may as well pay an additional \$400 for every \$12,000 invested and eventually own his land. I ask you, if he cannot pay 7 per cent where will the additional money come from to pay the \$400 principal?

Some criticism is levelled against the power of the Land Bank Commission's right to cancel contracts for non-payment of rent. I ask you, what protection would he have if in the same circumstances he couldn't meet his mortgage payments? Would his contract not also be subject to cancellation or even worse, the title to other properties which he has put up for security would be in jeopardy as well. Let's not kid ourselves, unless Federal pricing policies recognize the very serious imbalance that exists between the farm input costs and farmers' net cash returns, neither the Land Bank nor any other provincial program which can be instituted will be able to stem the flow over young farmers from the land for very long.

The average age of our farmers is around 55 years. Many of these were able in more favorable years to liquidate their

debts and to survive even the last few years when prices and quotas have been unfavorable. These are the farmers who can add to already large holdings. However, the young farmer who wishes to start today has an entirely different set of figures to contend with. Instead of land values of \$25 to \$50 per acre, they are now facing prices of \$75 to \$150 per acre. Instead of interest rates of three per cent to five per cent, they are paying from 7 ½ to 9 per cent with a corresponding rise in farm input costs. The Land Bank with its provision for leasing land and thereby relieving lessees of part of the investment cost, can provide a measure of relief to these young farmers. Through this means they can acquire a viable parcel of land without the usual requirements of substantial down payments and additional security. Because they are not required to tie up a large amount of money in land, they are able to use this money to invest in livestock and equipment which can bring them a much better return per dollar invested. Personally I cannot envisage a small farm plan which can properly hope to survive under today's price structure unless it embodies within it some kind of livestock enterprise. Generally speaking, returns for livestock and livestock products have been the one saving feature of our farm economy in recent years. Through prudent investment in these enterprises, a young farmer may still be able to justify his decision to remain on the land. For this reason I feel it would be necessary in the allocation criteria to ensure that the applicant has a fairly well defined plan of action which can guarantee him a reasonable chance of developing a viable farm operation.

Some Members opposite are trying to stampede farmers into believing that the Land Bank will lead to nationalization of farm land. The folly of such a charge can be shown by the fact that even if purchases by the Land Bank would reach \$20 million per year, this would amount to only a little more than one section per municipality in any one year. With a repurchase clause written into the Act, at the end of five years the amount of land held by the Land Bank would probably remain fairly static, and would likely not ever exceed 5 per cent of the available farm land at any one time. This is a far cry from total nationalization, Mr. Speaker.

The best part of this Bill, Mr. Speaker, is that it is totally voluntary. No one is forced to sell to the Land Bank, no one is forced to lease from the Land Bank. It provides the one other alternative for land tenure that many farmers have been asking for. I am confident that many young farmers will welcome it as a means to remain in the occupation which they enjoy. Because it is an earnest attempt to provide the necessary alternative in a meaningful way, I am pleased to support the Bill.

SOME HON. MEMBERS: Hear, hear!

MR. K. R. MacLEOD (Regina Albert Park):— Mr. Speaker, this Bill presents us with some pretty basic questions of philosophy. The Waffle element of the NDP says that land is a basic resource to be owned by all the people. They say that the lumberman does not own the forest; they say the fisherman does not own the sea and therefore, they say there is no reason why the farmer should be allowed to own his own land. But the Liberal Party believes that our rural communities need the stability which comes from young people having the right to buy their own land.

This year the Government plans to put \$10 million into the Land Bank, presumably it will put in an additional \$10 million each year for the next three years or a total of \$40 million this four-year period, at the very least. If the Government agreed to sell this land it would be getting payments on principal every year. The \$10 million as a revolving fund would greatly assist in the purchase of many lands, many farm lands by young farmers in Saskatchewan.

The Minister of Agriculture said that the rate of rental would be based this year on a 7 per cent rate of interest. During the course of Estimates the Premier of the Province said that the Saskatchewan Municipal Financing Corporation charged these figures, that is 8 per cent to 8 1/8 per cent, for moneys lent to cities and municipalities in Saskatchewan. He mentioned that this was a fractionally subsidized rate of interest. This rate is in fact the lowest rate the province can borrow long-term money. It also means that the Land Bank would be subsidized by all people of Saskatchewan. The 7 per cent interest rate mentioned by Mr. Messer, would this year have been subsidized to the extent of not less than 1 per cent. This will be a continuing subsidy because the Government, of course, does not propose to sell the land. In addition to that, in terms of dollars, if the entire moneys had been spent and if the theory propounded by the Hon. Minister of Agriculture had been in effect this year, that is, if the Land Bank had been in operation and \$10 million had been spent, it would have meant that the subsidy over and above all other expense would have been in the order of \$100,000 the first year.

The Government's Bill to prohibit non-resident ownership of land, that is not just Americans, but other Canadians, is I suggest, part of the Government's program to have the Government become the owner of farm land. In the meantime the Government is leaving our natural resources for development by outsiders, by foreign capital. The Government is apparently prepared to subsidize the cost of rent, but it is not prepared to subsidize the purchase of land by farmers. The Liberal Party believes that these moneys are being misdirected. We should be far better off to sell the land to farmers. Each year this would return part of the principal, part of the purchase price to the Treasury and this would be used in the purchase of more land for more farmers. The extra millions of dollars could be used by the Government for the development of Saskatchewan resources for Saskatchewan people.

We have had the privilege today of listening to a few more speakers on behalf of the Government. I have a few more remarks. Before I can complete my remarks, I have to analyze some of the things said by Members of the Government. In addition to that I should like an answer to the questions which were ordered to be given to me on March 27, 1972, over four weeks ago. They deal with foreclosures and the cancellations of agreements for sale. It is over four weeks ago that this was ordered by the House and I really need that answer before I can continue.

I would comment upon the remarks of the Member for Nipawin, (Mr. Comer). The gist of his remarks seem to be that a tenant is getting a privilege in paying the taxes because it allows him to vote on where the roads are going. It in effect permits him to become a full participant in the municipality. I should be

very surprised if a tenant of this farm land didn't already own other land and was thus a burgess and entitled to vote on money bills in the municipality. But in any event, it does seem to me that the farmer is going to pay a fair amount of money if he has to pay the taxes to allow him to vote. It indicates the shallowness of some of the arguments that we have heard from the other side in support of the Land Bank. I am sure that some of the Members from the other side took part solely for the purpose of telling their people back home in the constituency that they were privileged to take part in the debate in support of the Land Bank.

However, it does occur to me that one or two people did attempt to make a contribution. One of whom is the Hon. Member for Turtleford (Mr. Feduniak). He has very kindly consented to give me a copy of his remarks, because undoubtedly it will take two or three days before the typing puts them in my hands otherwise. Because I should like to deal specifically with the comments which the Hon. Member for Turtleford made and analyze his remarks and his calculations, I beg leave to adjourn the debate.

Debate adjourned.

HON. R. ROMANOW (Attorney General):— Mr. Speaker, I don't know if I am in order, but with the indulgence of the House, the Hon. Member before he took his seat made reference to the Order under date of March 28 on foreclosures. I wish to advise him and all other Members of the House that this Order is going to take some considerable amount of time for preparation. This is a terrific amount of documentation and the Provincial Mediation people are working on it. I only caution him that there is every possibility we may not have it completed before any reasonably contemplated conclusion time. I can assure him though that we are working on it with dispatch. It is a big, big job.

SECOND READINGS

HON. A. E. BLAKENEY (Premier) moved second reading of Bill No. 122 - **An Act to amend The Treasury Department Act.**

He said: Mr. Speaker, this Bill amends The Treasury Department Act. The changes are not particularly important. Some of them are essential but nonetheless not important in the broad scheme of government activity. Most of the amendments are concerned with changing the name of the Department to the Department of Finance and the designation of the Minister and officials accordingly. This is certainly not an important matter. Most of the provinces have adopted the name 'Finance' for their primary financial agency and accordingly we have decided since we were amending the Act and amending a good number of names of Departments at this Session, that we would use this opportunity to follow that practice and to re-name the Department as the Department of Finance.

The change will not, of course, alter the statutory powers or the duties or the obligations of the Minister or the officials of the Department. There are proposals to reorganize and strengthen the Department. The change of name is consistent with modern terminology and with the internal reorganization which is about to take place. In the reorganization greater emphasis will be placed on the role of the Treasury Board staff, particularly

in program evaluation, management improvement and the important and related fields of taxation and fiscal policy and Federal-Provincial relations. In these areas, I have had some comments when the Treasury Estimates were before the House. This I think is all that need be said about the reorganization provisions of the Bill.

Section 7 of the Bill will amend Section 19 of The Treasury Department Act. This deals with the salary of the Provincial Auditor. As will be known, the salary of the Provincial Auditor is set out by statute. This requires us each time the Public Service has an increase in salary and as a consequence the Provincial Auditor has an increase in salary, this provision in the Act requires us to legislate that increase. It has been customary to date, the effective date of the increase to be the same as the effective date in the increase in the public service and accordingly we provide in this Bill for a retroactive salary increase to October 1st last.

The next item deals with the appointment of an acting Provincial Auditor or deals with the situation which arises when there is an acting Provincial Auditor. The appointment of a Provincial Auditor under the Act is mandatory but there is no mandatory requirement that it be done in any given period of time. It usually takes a government some little time to ascertain who shall be appointed the Provincial Auditor. In our case, the Provincial Auditor retired in I think it was October and there are several deputies, two or three deputies, and times were pressing and before we had an opportunity to satisfy ourselves as to the person who should be appointed Provincial Auditor, it was January or February, I think February. So that appointment was made in February.

I may say the previous Provincial Auditor served in an acting capacity for some 16 or 18 months before the matter was resolved when the previous Government was in power.

We propose to clarify the power to make a temporary appointment during a period when there may not be a vacancy or there may not be a suitable candidate available for appointment. We make clear that this temporary or acting auditor can be paid at the rate of the Provincial Auditor. This will only confirm the custom which has gone on before now, at least with respect to the last two changes and perhaps far longer than that.

Another item dealt with in the Bill is the matter of permitting the Treasury Department to invest in something called 'bankers acceptance'. This is a particular form of short term security which is gaining increasing acceptance. It is essentially a promissory note issued by, let us say, a corporation and unconditionally guaranteed by a chartered bank, which makes it an obligation of a chartered bank. These particular acceptances have become, in effect, part of the list of short term securities which are dealt in by those people who have the responsibility for investing large sums of money for short periods of time.

Another portion of the Bill deals with something called the Board of Revenue Commissioners. There is an agency called the Board of Revenue Commissioners which concerns itself with a number of technical matters in the financial administration of the Government. They operate what amounts to an internal garnishee procedure. They are authorized to grant remissions of certain penalties. The Board currently consists of three

persons who are three members of the Local Government Board. There is a considerable volume of relatively routine matters. The Local Government Board has suggested that we might increase the number to five so that all four members of the Local Government Board and perhaps their secretaries or someone else could be named to the Board. This would enable them to get a quorum quicker and deal with the matters with more dispatch. This is not a matter of great importance to the Government. If anyone feels strongly about it we would, of course, not proceed with it.

These changes, as you will see, are very largely housekeeping. I think they have no substantial policy implications. I think they can be adequately discussed in Committee. With this explanation, Mr. Speaker, I move second reading of an Act to amend The Treasury Department Act.

MR. MacLEOD (Regina Albert Park):— I rise to suggest with respect to the appointment of an acting Provincial Auditor, this I think regularizes the kind of a procedure that has been going on in the past and is an appropriate step. With respect to one or two other matters raised by the soon-to-be Minister of Finance, I have not yet made up my mind on them, but will be quite prepared to deal with them in Committee.

Motion agreed to and Bill read a second time.

MR. BLAKENEY moved second reading of Bill No. 121 - **An Act respecting The Executive Council Act.**

He said: Mr. Speaker, this Bill is a Bill to amend The Executive Council Act, or indeed to replace the existing Executive Council Act with a new one. It also is in the nature of a housekeeping Bill. There are some aspects of it which might not be so considered and I will hope to touch on those.

As Members will have observed there have been a number of departmental reorganizations and changes this year, and accordingly the list of Ministers, the names of the Ministers has been changed to conform with the other legislation which has been introduced into the House.

There is a clarification of the power which I think has always resided in the Executive Council, or at least it has always been exercised, of moving agencies from one department to another. We have already indicated in other debates in this House that it is likely that agencies will be moved from existing departments to the Department of Northern Saskatchewan and likely to the Department of the Environment and to the Department of Consumer Affairs.

The Bill also provides for a planning committee of the Executive Council. This is the planning committee essentially to perform the same functions as the planning committee of some years ago or the Industrial Development Board of a few years ago, each of them part of and responsible to the Executive Council. This function is, I think, part of the 1970's government. Without meaning to be overly critical I believe that at least in its latter days, the previous Government operated what I would call too tight a ship in the sense that they had an inadequate number of central planning people. I think it put a great deal of additional pressure on deputies and particularly

on ministers and a couple of the key ministers, principally the Premier and the Provincial Treasurer. I think that what were essentially ad hoc arrangements developed whereby the Deputy Provincial Treasurer undertook a fair number of these duties. At any rate our proposed method of operation is to formalize the planning committee of the Executive Council and have someone who, for want of a better name, is called a Chief Planning Officer.

That essentially includes all the items which I think are in any sense new. There is a provision for a Secretary to Cabinet whom we are now calling a Secretary to the Executive Council as well as a Clerk. These have sometimes been the same person and sometimes separate persons. In this Bill it is possible to have them separate people. In other respects, Mr. Speaker, I think this is, if not housekeeping, at least part of the administrative reorganization which has come before the House in a number of other forms. I think all of its implications can be adequately discussed in Committee and accordingly I move second reading of this Bill.

MR. J. C. McISAAC (Wilkie):— Mr. Speaker, just a few brief words with respect to the Bill the Premier has just introduced. I think perhaps this Bill in many respects is illustrative of the philosophy of the Government opposite when we look at Section 3. I believe, if I am adding properly and correctly, we now have a possibility of 22 Cabinet Ministers in the province, that is if all the various departments were given to individual ministers which hasn't been the custom in the past and I am sure won't be here. But it does certainly indicate I think the expansion of Government that has taken place and as the Premier said, it does indicate some of the changes administratively that we have seen under the Premier and the present Government. I would have to agree with one point he made that it is perhaps true as far as we were concerned when we were the Government. There were times, certainly, we well could have used more people in the planning capacity attached to some of the major Government departments.

But I am not sure, Mr. Speaker, that in a province the size of Saskatchewan, of one million people, we need the kind of secretariat that the Premier is proposing here. It may be okay but I'm not sure we need it in each and every department which basically we have noticed as we have studied the Estimates of most departments so far. We have a secretariat to the Executive Council which will direct the business of the secretariat etc., and so on. The Planning Committee which will study and advise. But we have also seen in almost every department new and expanded planning and research divisions in each department.

Now Section 5, I'm not sure, I don't believe the Premier referred to Section 5, if he did I didn't understand him correctly. As I read Section 5 we are also going to have a sort of an inner Cabinet or a super Cabinet if I am not mistaken in interpreting that Section. Here again, this is a policy and a practice that is followed in Ottawa and is followed in other parliaments larger than ours, and again, I question whether or not in a province of a million people we need one Cabinet of 22 Members and an inner Cabinet and Secretariat and a Planning Commission. I should appreciate more details and more of the reasoning of the Premier for some of these moves when we get the Committee to study this Bill. In the meantime, as I say, Mr. Speaker, I agree with the Premier again that this certainly

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does characterize the administrative changes, the whole direction of more government than we have seen under the NDP opposite since taking office.

Motion agreed to and Bill read a second time.

HON. E. I. WOOD (Minister of Municipal Affairs) moved second reading of Bill No. 118 - **An Act to provide for the Making of Grants to Encourage the Building of Houses.**

He said: Mr. Speaker, I should like to move at this time second reading to The House Building Assistance Act. This Government extended the application of the program of grants under The House Building Act, 1970, with December 31st, 1971 as the final date for the commencement of a residence. However, the Throne Speech which opened the present Session indicated that this Government would continue with this program making grants to encourage the building of houses but with a new emphasis on assisting those persons on low incomes to acquire adequate housing.

Mr. Speaker, we felt that the program that was used by the former Government giving a \$500 grant with regard to all houses in the province was a good one. I believe it was slated to expire on July 1st, last year, when we came to office but we felt that it was a good program and continued it up until December 31st of last year, asking that people would be in residence in these houses by May 31st of the present year. We felt that it would be desirable that this be continued but only in regard to those of the lower income.

We believe that there are many existing housing units which could be restored to a satisfactory standard with certain structural alterations. These alterations should be such that will extend the lifetime of the residence and produce a more habitable housing unit. Accordingly, in this Bill we are proposing legislation to provide for grants to persons on low income to assist them in acquiring new housing units or undertaking structural alterations to an existing residence. We have retained the same value of \$4,000 exclusive of land and services as was in the former Bill, for each residence to qualify for the grant. The definition of eligible residents is also the same as was contained in the 1970 Act.

We are providing for grants to any person who commenced construction of a residence or acquires a residence, where the construction was commenced prior to January 1, 1972, who occupies the residence on or before May 31, 1972. As I said a minute ago, we are continuing the former program up until the present, but a house had to be commenced by January 1, 1972 and the person is expected to occupy before May 31, 1972.

This program is still open to people of any income and there may still be a few houses around in that category and this is their opportunity to obtain this \$500 grant for people of any income. The grants in these cases will be 5 per cent of the capital value, but not to exceed \$500 for each residence.

We wish to ensure that no person who could qualify under our income criteria would be disqualified from receiving benefit under our revised program. We are providing for a grant to any person who qualifies under our income criteria and who commences construction of a residence, or acquired a residence, where construction was commenced after January 1, 1972, and prior to

April 1, 1972. But the grant shall not exceed 5 per cent of the capital value of the residence or \$500. This is in that area of time, Mr. Speaker, between January 1st and April 1st of this year. We are saying that they may still qualify, if they are within the income qualifications of this Act but it will only be for a \$500 grant.

The final date for occupancy under this sub-section will be established by the Lieutenant-Governor-in-Council, but to date, we have not received any requests from a person in this category. We are not aware of many houses that would fall into this category that have been started during this last winter. But we would not wish them to be deprived of a grant if they are within the income qualifications.

Under this Act we are providing for a grant of 10 per cent of the capital value of the residence up to a maximum grant of \$800, where the construction of the residence is started after April 1st, 1972. That is actually when this Act comes into effect. We have made some arrangements to take care of the interim period between January 1st and April 1st. Actually this Act comes into effect on April 1st. Where the applicant qualifies for the income criteria that are established, the final date for occupancy under this sub-section will also be established by the Lieutenant-Governor-in-Council.

I indicated earlier that we propose to assist persons who are qualified under our income criteria to undertake alterations to their residence and we are providing for a grant of 10 per cent of the value of structural alterations up to a maximum grant of \$800, providing the cost of the alterations exclusive of the land and the services is \$2,000 or more.

Here, again, the final completion or occupancy date will be established by the Lieutenant-Governor-in-Council. Now here I should like to point out, Mr. Speaker, that this program in regard to alterations of present houses also comes into effect on April 1st and will be in regard to alterations that are commenced after April 1st.

I would like to point out, if I may, to Members of the Legislature and to yourself, Mr. Speaker, and any Members of the Press who happen to be listening, that there was an error in the news report of April 25th of the Leader-Post. It says there in regard to this legislation which I am now asking for second reading - it says:

The legislation also provides for an \$800 grant toward the cost of structural alterations, costing more than \$2,000 and which were started prior to April 1, 1972.

The word should not be 'prior' but 'after' April 1, 1972. This is just not in regard to alterations that were started prior to April 1, 1972. It will include alterations from April 1st on, that were started after April 1, 1972. I should like to point that out. I should like the public to be aware that it is not in regard to alterations that were started prior to April 1, 1972.

The remaining sections of this Bill, Mr. Speaker, are almost identical with the corresponding sections of the previous Act, and provide for the administration of the Act and the making of the regulations by the Lieutenant-Governor-in-Council.

So far as the income of the applicant which we are putting in here, I believe I said at an earlier date in the House, that we were looking to have the income that we are referring to the same as that which would be applicable under the CMHC Homeowners Assistance Act. I understand this at the present time is \$7,000. I understand, also, from the CMHC people that there is possibility of this being reviewed during the year and we are leaving ourselves free to move in whatever direction is found desirable in this way.

So it is not stipulated in the Act as to what the income is to be but is left to the regulations by the Lieutenant-Governor-in-Council. We shall be making rulings on this possibly when the Federal Government makes any changes in theirs.

The structural alterations that we are referring to will be in regard to application of labor and materials which will effect a change in the dimensions or alter the existing interior plan of a dwelling unit, which extends the lifetime of a dwelling unit, but does not include ordinary maintenance. This is to what we were referring to when we are speaking to structural alterations.

I feel, Mr. Speaker, that the principle of this Bill is quite clear and it is very desirable and that any questions concerning it can be brought up in Committee.

I would, therefore, move second reading of this Bill.

SOME HON. MEMBERS: Hear, hear!

MR. T. M. WEATHERALD:— Mr. Speaker, my colleague the Member for Moosomin (Mr. Gardner) who is unable to be here this morning is the critic for the Opposition on Municipal Affairs. I am sure that he has a few words that he would like to say to this.

I would make a request of the Minister, at this time, and that is that we have some difficulty in getting the copy of speeches through Hansard. There is a two or three day lapse there. We wonder, since we are not trying to hold up the business - and this may well come up again tomorrow - if it is possible for us to get a copy of the remarks that the Minister made. If not, well we will just wait. I think he cited a number of very complicated things and I don't think memory would be able to record quite that rapidly.

MR. WOOD:— Yes, I would be glad to do this. I may say, Mr. Speaker, that I have notes here. . .

MR. WEATHERALD:— Well, give me a basic outline.

MR. WOOD:— I did extend a little further in my reference in regard to the newspapers, not in my notes. But I would be glad to make a copy of my notes available.

Debate adjourned.

WELCOME TO STUDENTS

HON. J. E. BROCKELBANK (Saskatoon-Mayfair):— Mr. Speaker, I should like to take this opportunity to introduce to the House a group of students from Vincent Massey School in Saskatoon. They are 65 in number and they are accompanied here today by two of their teachers, Mr. Wensley and Mr. Herron.

The Vincent Massey School is a rather new school on the west side of Saskatoon and I am sure that these students are as new and as bright as their school is and will acquit themselves well in this Province of ours. It is a pleasure to have them here today, Mr. Speaker, to witness the Legislature in the discussion of the Estimates for the coming year. I am sure all Members will join me in welcoming them to this Chamber.

HON. MEMBERS: Hear, hear!

The Assembly adjourned at 5:27 o'clock p.m.