

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Third Session — Seventeenth Legislature**  
**37th Day**

**Friday, March 16, 1973**

The Assembly met at 3:15 o'clock p.m.  
On the Orders of the Day

**WELCOME TO STUDENTS**

**Mr. Thorson** (Souris-Estevan): — Mr. Speaker, I am very pleased to introduce to the Assembly some 40 students from Carievale, Saskatchewan, who I understand are sitting in the west gallery. They are accompanied here in Regina today by their teachers, Mrs. Frances Hall and Mr. Wayne Wilson. They are the Grades Seven, Eight and Nine students from Carievale. The Members of the Assembly might wish to know that one of them is the niece of my seatmate, The Hon. Neil Byers. I trust that their visit to Regina has been not only enjoyable but instructive and that their journey home with their bus driver, Mr. Ken Elliott, will be safe and happy.

**Hon. Members:** — Hear, hear!

**Mr. Thibault** (Melfort-Kinistino): — Mr. Speaker, it gives me great pleasure to introduce to you today a fine group of students from the Kinistino High School. They have been led here by their school teacher, Mrs. Louise McFarlane and Mrs. Sandra Walker. Their school bus driver is Mr. Lyle Cox from Melfort. I hope the House will join with me in congratulating them for coming. As we talk about winners, I also want to say that part of the group up there are the high school girls who won the basketball 2A championship for the province and I think they deserve a big hand.

**Hon. Members:** — Hear, hear!

**Mr. Thibault:** — There are also some students from Meskanaw in that group and Miss Vera Pezer who took the curling championship in Nova Scotia just a few days ago, her home town is Meskanaw. So you see that our area always gives a pretty good account of itself as far as championships are concerned. They also take soccer championships in this province. So I am sure this House today will help in every way possible to make that trip to Regina for these students one of the finest trips in their lives and wish them a safe journey home.

**Hon. Members:** — Hear, hear!

**ANNOUNCEMENTS**

**Ontario Liberal Victory**

**Mr. MacLeod** (Regina Albert Park): — Mr. Speaker, before the Orders of the Day, I am sure that all Members of the House would like to join with me in expressing complete pleasure at the victory of two Liberals in Ontario. They have taken their place in public life having won two seats which have been held for more than 30 years by members of the Conservative Party. I am sure that everyone in the House

must congratulate these people for entry into public life, strengthening an already improving Opposition in Ontario.

**Some Hon. Members:** — Hear, hear!

### **St. Patrick's Day**

**Mr. Whelan** (Regina North West): — Mr. Speaker, tomorrow is a day that is recognized by about two million Canadians of Irish extraction, roughly 10 per cent of the population. On this day probably three times as many claim that they are Irish. You know there are people like the Michayluk's on that day, O'Romanow's who are Irish. Tomorrow will be the 1,512th anniversary of the death of St. Patrick.

Irish people are pretty high on themselves. They tell the story about an Irishman, an Englishman and Scotsman who were discussing their background. The Englishman said, "If I couldn't be an Englishman, I'd be a Scotsman." The Scotsman said, "If I couldn't be a Scotsman, I'd be a Ukrainian." The Irishman said, "If I couldn't be an Irishman, I'd be ashamed."

Irishmen are very fond of politics and they consider their popularity put to the test when someone votes against them. They tell a story of a mayor in an Irish city who ran for office about seven times and he was elected by acclamation seven times. Finally the eighth time he ran, a fellow by the name of McTavish ran against him. When the ballots came in and were counted, McTavish had two votes. The Irishman was very upset, he was trying to figure out what happened. So he said, "I think I know what happened. That fellow McTavish, his wife voted for him, they sure are a clannish bunch!"

In wishing a happy St. Patrick's Day to the Irish people in the Province of Saskatchewan, I should like to conclude with four lines of poetry that I think represents the Irish people.

We Irish have our failings  
and grave ones granted-quite,  
But we claim at least two virtues  
For we can love and fight.

**Hon. Members:** — Hear, hear!

**Mr. MacDonald** (Milestone): — Mr. Speaker, on behalf of the MacDonald's, the McIsaac's, the McPherson's, the Steuart's and even the Douglas's, I should like to associate myself with the words of the Member for Regina North West (Mr. Whelan). Of course on St. Patrick's day I suppose it is a time that we can all look back on the contribution of those great Irish people to the Dominion of Canada, there are many Canadians of Irish descent. Perhaps on a more serious note we can take this opportunity today in this Assembly, and look at the very troubled and disturbed times that are now taking place in Ireland, and express the very sincere wish that those troubled times will soon come to halt and that Ireland will once again return to peace and good times and that the Irish people of that nation will continue to make a great contribution to the Dominion of Canada.

**Hon. Members:** — Hear, hear!

## WELCOME TO SPECIAL VISITOR

**T.C. Douglas**

**Hon. Mr. Blakeney** (Premier): — Mr. Speaker, I wonder if I might call to the attention of the House the fact that in our midst is a former Member of this House, Mr. T.C. Douglas who was a Member of this House from 1944 to 1961 and Premier of the province from 1944 to 1961. I believe this is the first time he has had an opportunity to visit the Chamber since he left it to take his place in the House of Commons in Ottawa in 1961.

**Hon. Members:** — Hear, hear!

**Mr. MacDonald** (Milestone): — Mr. Speaker, I and other Members on this side of the House certainly want to associate ourselves with the comments of the Premier. There is only one thing we would like to ask, we would like equal time. We would like to ask Mr. Douglas if he would come and spend 50 per cent of the time over here, because from what we understand he and Mr. Benjamin have worked very, very hard to keep that Liberal Government in office in Ottawa . . .

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald:** — . . . I should also like to suggest that perhaps, and I mentioned this to Mr. Douglas when we had a few moments together before the House commenced — that he pair with a Conservative and not with the Liberals so that today in the House of Commons in Ottawa the Federal Government is in no danger. In all sincerity we do want to welcome Mr. Douglas back, it is always an honor to have a former Premier, a former Member of the Legislative Assembly return to our midst. We certainly do join with the Premier in all sincerity.

**Hon. Members:** — Hear, hear!

## ADJOURNED DEBATES

### RESOLUTIONS

#### **Resolution No. 4 — Co-operation between Saskatchewan Land Bank and Federal Small Farms Development Program**

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. Feduniak (Turtleford):

That this Assembly press for a co-operative arrangement between the Saskatchewan Land Bank Commission and the Federal Small Farms Development Program in order to make the full benefits of both programs available to Saskatchewan farmers, and urges the Federal Government to respond immediately to Saskatchewan's request to establish such a co-operative arrangement.

**Hon. Mr. Flasch** (Maple Creek): — Mr. Speaker, I have just a few words to say on this motion. I must view the applause with mixed emotion, Mr. Speaker, while I do appreciate it, I notice that some of it

came from Liberals – I don't know what that means.

This Resolution, Mr. Speaker, which calls for the development of co-operation between plans which are designed to aid agriculture in this province, namely the Small Farms Development Act and Land Bank scheme, certainly merits the support of all the Members of this House. Because I think agriculture is the mainspring of the economy in this province, it is incumbent upon every Member of this Legislature to do what we can to promote the best interests of that industry. I am not going to take up the time of this Assembly extolling the merits of the Land Bank scheme. These have been gone over time and again for the last year. My colleagues have done a very good job of setting out the major points in it. I think I could sum up by saying that the Land Bank scheme promotes the entry of young people into farming. It will help to put more people into that industry. Secondly, it is designed to establish or help those farmers who haven't viable units to establish such units.

I may not have all the information about the Federal Small Farms Development scheme; I do have a considerable amount of it. As I see it, that program does nothing to help a young man to get started in farming. One of the criteria for eligibility, Mr. Speaker, is that an applicant must have been connected with farming in one way or another previously, either as a renter or as an owner. I say that that is a fault. I should like to see the Members opposite use their influence to make a correction in that particular shortcoming of the plan. I think there are many people who would like to get started in farming and a part of this Government's policy is to create more viable farms in this province.

The Member from Nutana Centre (Mr. Robbins) commented the other day on this Resolution and set out a hypothetical case in which an individual could rent land from the Land Bank to start farming, then purchase more land – let's say he was going to farm one section – purchase more land under the Small Farm Development program. If, indeed, it doesn't consider people who aren't farming at the time, his remarks were somewhat in error.

Secondly, Mr. Speaker, I think it is wrong that the Small Farms Development plan gives the grant of up to \$3,500 to the seller of land, rather than to the purchaser. This is not proper because, if any party needs the money, it is the party who wants to increase the size of his farm.

Now, the Liberals did have a good idea at one time, back in 1896. I don't say that was their only good idea. Certainly after 1896, when the Liberals came to power, they took over from the Conservatives and attempted with some success to make the National Policy of John A. MacDonald work – at least that part of it which was designed to settle the West. Under the program, the Liberals during their period of office brought in The Homestead Act. Under The Homestead Act the West was to be settled, farmers were to be brought out. One of the things that this Act did was give to the farmer who was going to settle on a farm – if he broke up a certain number of acres on a quarter and he made certain improvements – a quarter of land. This was a good policy, Mr. Speaker, but apparently the intervening years between 1896 and 1973, eroded the Liberal innovative processes and they haven't come up with a good plan since.

Another aspect which we think should be changed in the Small Farms Development plan is that initially, the program is going to consider only farms of an appraised value of up to \$20,000. Now this will do nothing to create more farms. I think that in many cases there are farms that come up for sale which consist of thousands and thousands of acres. I think, Mr. Speaker, that under the Land Bank scheme, the Commission can serve as a vehicle which can purchase these farms and redistribute them and thus create more farm units, say four or five from the one purchased. I should like to see the Small Farms Development plan be able to purchase farms with an appraised value in excess of \$20,000.

I say that we need the co-operation not only of Ottawa, but of the Liberal Party opposite in developing these plans, making them work together. That hasn't been evident thus far. I see that the Leader of the Opposition is not in the House today, but when he went to Ottawa some months back, and expressed the desire that no modifications be made in the federal plan to satisfy Saskatchewan, he did a disservice to this province, Mr. Speaker. He should have been promoting co-operation.

I understand that the Liberals are organizing a meeting out in my constituency next Monday – apparently they are stirring again in Maple Creek. I haven't seen any active ones around for quite some time. I thought that the Member for Morse (Mr. Wiebe) – he is not here – was the godfather out there, looking after Maple Creek because it isn't represented by a Liberal; but apparently the Leader of the Opposition is headlining the show there himself, Mr. Speaker.

I had a call from a constituent of mine who happened to see one of the bills that are out to herald his coming. Apparently his purpose there is to give the facts concerning this Government's plans for the development of agriculture in this province. I can just imagine what the facts are going to be. You can tell, Mr. Speaker, what they are going to be from the bills that advertise the meeting. One of the things that he is going to talk about, according to the bill is the "Hog Marketing Board". Now, we know that there is no such thing as a "Hog Marketing Board" it is a Hog Marketing Commission, but the Liberals are calling it a Board. There is a difference. I hope, but I doubt very much how that difference is going to be explained at that meeting.

Secondly, they talk about the purchase of Intercontinental Packers by the Government. That is stretching a point too because this Government purchased only 45 per cent of the shares of Intercontinental not the whole company, Mr. Speaker.

I should like to see the Liberals straighten these things out at their meeting. I hope that one of them will tell their leader to do so.

Mr. Speaker, if you look at those bills you can see that the distortion in Maple Creek is beginning before the meeting even gets underway.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Flasch:** — That is typical of the Liberals. That's what they are doing for agriculture.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Flasch:** — Mr. Speaker, I simply want to say that I hope the Liberals will change their tactics and I hope that the whole group of them don't go out campaigning against these programs. I hope that some of them will work for some modification in their own Small Farms Development plan so that it will be an asset to agriculture in this province.

I support the Resolution, Mr. Speaker.

**Hon. Mr. Matsalla** (Canora): — Mr. Speaker, I should like to join with the Hon. Member from Maple Creek (Mr. Flasch) in entering this debate and voicing my support to the Resolution.

Mr. Speaker, I have mixed feelings with regard to the Federal Small Farms Development Program. I am pleased to note that the Federal Government is attempting to make an effort in the direction of assisting the Western farmer with the announcement of the new Small Farms Development Program. I want to underline "attempting to make an effort".

I want to elaborate by describing the effort made by the Federal Government as a feeble one, and one not meant to maintain the small family farm. But rather it is one meant to carry out the report on the Task Force in Agriculture by eliminating two out of every three farmers. The program would be better called the Large Farms Program rather than the Small Farms Program. The philosophy of the program is perfectly consistent with the agriculture Task Force report. The new plan, Mr. Speaker, will assist sellers only, if, and I quote:

The farmer must sell to a buyer who will not operate the property as a separate and uneconomic small farm.

I don't know how the Members of this Assembly feel about the implications of this statement. But I do know that it worries me. To me, Mr. Speaker, what the statement really implies, is that the Federal Government through the Small Farms Program will decide the size of farm units they want. You can be sure that their decision will be directed towards the buying out of small farms and establishing the large farms. I want to warn this House that if the Small Farms Development Program should take hold in Saskatchewan and Western Canada in its present form and with its present objectives, we will be moving without question towards the implementation of the Task Force Report on Agriculture. Now this is a very vital concern to the Saskatchewan rural community. We cannot stand by and have this happen.

The Small Farms Development Program in its present form is totally inadequate to provide the solution. The plan, Mr. Speaker, is air tight in order to qualify for special credit. A buyer must and I quote:

Buy from a seller who is eligible for the assistance grant.

In other words sellers of small family farms would be eligible to sell only if their farms are purchased by already well established large farmers.

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Mr. Speaker, the Federal program as it is presently set up is more of a real estate agency providing buying and selling facilities rather than an agency to assist young people in getting started and in getting established in the farming industry, and hence preserve our rural way of living.

We are told further that rural development and farm management service of the Small Farms Program will be working to get rid of non-viable farmers, pardon me, quote:

To encourage farmers to take advantage of any non-farm opportunities available in the local community.

Now, I hate to be suspicious, Mr. Speaker, but the report of the Task Force keeps ringing in my ears. Quote:

We assume that agriculture should be operated much like any other industry.

But the point is, Mr. Speaker, that agriculture is not like any other industry. For one thing it is part and parcel of the lives of the people who are involved in it.

This is what the New Democratic Party never forgets. The philosophy of this party is people-oriented. And it produces people-oriented programs like the Land Bank. The human factor is important to us. In the Small Farms Development Program we see some possibility for co-operation with the Federal Government. We believe that the provincial Land Bank together with a sufficiently amended Federal Program could be of great benefit to the Western farmers.

The new attempt by the Federal Government to understand farming problems in Saskatchewan is viewed upon with some dim optimism. We are hopeful on this side of the House and I trust the Members opposite would agree, if the Federal Government would have their plan integrated with our Land Bank program, the benefits to be derived from the co-operative arrangement would be unparalleled anywhere in the North American continent. The benefits incorporated could be made more compatible for purchase as well as lease purposes. The proposed co-operative arrangement, in my belief, could provide a great opportunity and could make a tremendous impact in maintaining our farming industry as a rural way of life in Saskatchewan.

Mr. Speaker, I understand the Minister of Agriculture has made a concerted effort to work with the Federal Government in setting up a co-operative arrangement between the two programs. But to this date the Federal Government has been absolutely inflexible in its program.

I want to take this opportunity, Mr. Speaker, to commend the Minister for his initiative in meeting with the Federal Government with the desire that some worthwhile arrangement could be entered into. I hope the Federal Government reconsiders its position on the co-operative proposal, and in due time supports what our Provincial Government is doing through the Land Bank program.

With these few remarks I want to join with other Members of the House in urging the Federal Government to co-operate towards establishing a co-operative small farm arrangement. I give full support to the motion before us.

**Mr. Larson** (Pelly): — Mr. Speaker, I want to say a few words in support of this Bill. I want to say at the outset that the request of the Saskatchewan Department of Agriculture for co-operation in the Federal Small Farms Development program with the Saskatchewan Land Bank Commission is a really good one. That this Government is willing to offer co-operation and has in fact had consultation with the Federal Minister of Agriculture, indicates the principle of good faith that is necessary to make either program work to its maximum benefit. Upon examination you find that the objectives of both programs are at least compatible. The declared objectives of the new Federal program are (1) Land transfers, rural development services and farm management. (2) Special credit to small farmers who wish to increase their income through the purchase of additional land. (3) Assistance grants to other small farmers who wish to sell their land and to retire or to take advantage of opportunity in other employment. (4) A listing service so the small farms may be bought and sold more easily. (5) Farm management and rural development services will be provided to help small farmers and their families develop more profitable farm enterprises or businesses or take advantage of other opportunities. (6) Finally the declared objective states, this is a development program, not a welfare program and is designed to help the owners of small farms help themselves.

To back up these objectives the Federal Government is prepared to spend \$150 million to put the program into effect, this amount to be made available within the next seven years. The proposal is to have the plan administered by the Farm Credit Corporation. This in itself is a logical step. The personnel, the machinery and the know how is already there. It is to be hoped in the area of co-operation this is one of the places where a considerable saving could be realized if the forces of the Land Bank and the Small Farms Development Program were combined and work together.

The Liberal Party of Saskatchewan, Mr. Speaker, has chosen to oppose the principle of the Land Bank. In doing so they have chosen to put what little credibility they ever possessed on the line. The line of attack has been negative, derogatory and based entirely on rumors and ill-conceived political motivations. The decision of the Liberal Party to take this stand is very unfortunate. There is no doubt that the task of putting this bold far-reaching program into effect is a momentous one. It is spawned out of a clear crisis arising from the transfer of land in Saskatchewan. The farmers are not going to be satisfied nor can they exist under the Liberal philosophy of dog eat dog society of free enterprise. To oppose any attempt that is made to try to alleviate the perpetual mortgage society of agriculture of the past can only be described as irrelevant, backward, out of touch and sold out and committed to an outdated Fabian philosophy that has long ago outlived its usefulness. To add insult to injury and confusion, we see the Saskatchewan Liberals trying to defend and even take credit for the Federal Government's Small Farms Development Program. What is conveniently overlooked and not said, is the fact that the Small Farms Program was implemented with a view of eliminating farmers as proposed in the Task Force.

The Provincial and Federal Liberals did not contemplate nor did they expect that the Saskatchewan Government would establish a program that had the opposite objectives in mind.

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The Small Farms Development Program should have been called the Small Farms Elimination Program. After the 1972 Federal election the Liberals both at Ottawa and Saskatchewan can see the rejection of this concept. The response to the Land Bank program is evidence of this. The virtually desperate efforts of the Saskatchewan Liberals to grasp for any straw to discredit the program can only be described as the efforts of a drowning man grasping at a straw.

The actions of the Opposition in this House is proof positive that they are in such a state of confusion, disarray and total disrepute that no one, including some of their own Members, either believe them or trust them even to the smallest degree.

The Resolution is proof that this Government does not wish to indulge in totally hopeless antics of the Saskatchewan Liberals. The prospects of achievements of the Land Bank can only be enhanced by the participation of the Federal Government. The very serious and costly process of land transfers in Saskatchewan needs and deserves co-operation and support of both senior governments. To play cheap partisan politics on this issue is not worthy of the responsibility of elected representatives either at the provincial or the federal level.

I want to remind all Members of this House, Mr. Speaker, that the job the Land Bank has set out to do, may well turn out to be the most significant and far reaching achievement of this decade. It may well overshadow the impact of Medicare or Hospitalization. Any move therefore at this crucial stage of development should be welcome and pursued with vigor and co-operation.

I therefore, Mr. Speaker, call on the Opposition to forget your political manoeuvring, forget your jaundiced view and prognostications, stand up like men and support this Resolution that can assist both the Land Bank as well as the Small Farms Development Program. Obviously, Mr. Speaker, I will support the Resolution.

**Some Hon. Members:** — Hear, hear!

### **WELCOME TO STUDENTS**

**Mr. MacMurchy** (Last Mountain): — Mr. Speaker, If I may interrupt the proceedings to introduce to you and to the Members of the House, 21 students from the Grade Eight class in Drake. They are accompanied by their principal, Mr. Bueckert. They were here and saw the curlers from the different countries. They had to leave before the House opened to visit the Telephone Building and they have come back to see the House in operation. We welcome them. We hope you have had a very fruitful day. They tell me that as the last day of Education Week for 1973 they couldn't have wound it up in a better way than taking a day off from the classroom and coming to Regina.

**Hon. Members:** — Hear, hear!

### **BIRTHDAY GIFT TO SPEAKER**

**Mr. Speaker:** — Before the Hon. Member starts speaking, I wonder if the

House will permit me to interrupt for a moment. You know for many years now the Member for Regina North West has got up here on St. Patrick's Day and he thinks these shamrocks are put on the desk in order to celebrate St. Patrick's Day. Before him the Minister from Saskatoon, the Hon. John Sturdy used to do the same. But thanks to the page boys and girls now they have exploded that bit. Because today they have presented me with a little bun for my birthday which is on St. Patrick's Day. So in order that I might have time to enjoy it, I call on the Deputy to take the Chair so that I can go and enjoy my bun while the rest of you carry on the work. Thank you for allowing me to interrupt.

**Mr. McPherson** (Regina Lakeview): — Mr. Speaker, we should like to welcome your pointing out to the House that it is your birthday tomorrow. On behalf of all Members I should like to wish you many happy returns of the day.

**Hon. Members:** — Hear, hear!

The Assembly resumed the interrupted debate on — Resolution No. 4

**Mr. Weatherald** (Cannington): — To say the least, Mr. Speaker, this is a very happy day, I hate to spoil the tone of events with the visit of the curlers and your birthday.

Mr. Speaker, as usual this afternoon we got to the general propaganda campaign of the Government Members and so with that propaganda campaign about Task Force reports and everything it is usually such a propaganda campaign based on the fact and the hope that no one else happens to know differently. As usual they are wrong.

Mr. Speaker, I was interested in the comments of the Member for Canora because he would certainly be the No. 1 candidate in not knowing the facts or trying to distort the facts. I got the copy of the Small Farms Development Program. And one of the most interesting things to me is on page three because the Member went to great length about how the Federal Government was attempting to eliminate small farms. He went into great length about the terrible Task Force Report to get rid of all the farmers in Saskatchewan, he said.

Well right on page 3, underlined I might say, Mr. Speaker, in very black print in the same copy that he read from, "Priority will be given to owners of eligible small farms rather than to owners of larger farms." In this case where an eligible purchaser who is the owner of a small farm has indicated interest in the purchase of an additional farm, the corporation will attempt to ensure that the small farmer can borrow as much as the larger farmer for the purchase of that land.

Completely opposite to the facts that the Member for Canora (Mr. Matsalla) would attempt to try to tell the Members of this House and the public at large. Completely and totally wrong, Mr. Speaker, because the Small Farms Development Plan is to help smaller farmers, it isn't to get rid of them.

**Some Hon. Members:** — Hear, hear!

**Mr. Weatherald:** — It isn't to get rid as the NDP run their propaganda machine on trying to get rid of farmers they claim — the Federal Government. And they have done pretty well with that propaganda machine in the past but they aren't going to do too well in the future, Mr. Speaker, because more and more people are beginning to put less and less credibility in what the Members opposite are saying, because too frequently they are finding out that what they are saying is complete and total propaganda for their own political purpose.

**Some Hon. Members:** — Hear, hear!

**Mr. Weatherald:** — So, Mr. Speaker, that is one point that I want to clear up. I want to clear up that the Small Farms Development Program, and it says right there for all to see, that priority is given to the owners of eligible small farms rather than to owners of larger farms. And it isn't designed in any way or any manner to try and eliminate farmers but to try and improve the lot of the smaller farms in Saskatchewan and try and make better farms out of them so that they can make a decent living on that particular farm.

As for the Land Bank, Mr. Speaker, I just simply say these words. That the Land Bank is going to eliminate probably more farmers than the Small Farms Development policy. And I can tell you why this will be so.

The Minister has a criterion set up of people who will be preferred when he buys from them. And just about every time, so far with the Land Bank when he rents land out, it is going to another existing farmer. And every time that you buy one out and give it to another one, instead of having two farmers you have one farmer, Mr. Speaker. And that is going to eliminate a great many farmers in Saskatchewan. So I think, maybe, it would be very, very fair for us to say that the Government opposite and the Land Bank is trying to get rid of farmers thus implementing what they claim the Task Force Report in Saskatchewan recommends because every time they buy out one and give it to another one, we have one left instead of two.

That is becoming more and more obvious as the Land Bank is coming into operation.

I want to talk just very briefly on some of the benefits of the Small Farms Development Program, because it is obvious that the Members opposite don't want to give any credit for the type of program that it is and I think it deserves a very substantial amount of credit.

First of all, there is a special credit program for prospective purchasers. That, Mr. Speaker, will in all likelihood be another small farmer who gets a special deal on credit through the Farm Credit Corporation.

There is an Assistance Grant for the person who sells out so that he may retire at an earlier time. He may be able to retire at a younger age and he gets a grant of money from the Federal Government to help him look after his financial requirements.

There is a listing service that will help bring buyers

and sellers together and a facility for the outright purchase and the resale of farm property from one farmer to another.

This, Mr. Speaker, brings us to the reason that we oppose this Resolution that the Government has put on the Order Paper. The Members opposite stand and say, Oh, we have a Land Bank program and the Federal Government should change theirs. Well I want to make one thing very clear we think that they should change theirs.

**Some Hon. Members:** — Hear, hear!

**Mr. Weatherald:** — We think that they should change theirs. We think, Mr. Speaker, that it's about time that they stood up and changed the Land Bank program. The Small Farms policy doesn't need to be changed to fit into line with the Land Bank program, we need the Land Bank program to fit in with the Small Farms Development Program.

**Some Hon. Members:** — Hear, hear!

**Mr. Weatherald:** — That is the reason that we are going to oppose this Resolution. The two are diametrically and philosophically opposed. One, as we have mentioned time after time, the Land Bank program will bring the Government into the situation of owning a fantastic amount of property in our province. We oppose that philosophy that it is founded on. The Small Farms Development Program is bringing the transfer of land from one small farmer to another small farmer based on the principle that ownership and control of that land still rests with the individual and that is the fundamental principle we support, but we do not support the fundamental principle of the Land Bank or the Government becoming the largest land owner which controls that property in perpetuity.

**An Hon. Member:** — . . . the ranchers in the south west.

**Mr. Weatherald:** — Well, I will be very happy to say something about the ranchers in the south west.

Mr. Speaker, the Provincial Government, I suggest, should change their Land Bank program, bring it into line more with the Small Farms Development Program. It is a program that will strengthen and improve the net income of very many small farmers in our province. It is a program which fosters ownership and gives control to the individual operating that type of land. It is on a philosophical basis, as I said before, diametrically opposed to the Land Bank that we have currently in Saskatchewan. It is for these reasons that we urge the Government opposite to make some fundamental changes in their Land Bank plan and bring it more in line with what has been offered by the Federal Government. I believe that what we do need and we support changes as far as the land transfer in our province is concerned, that then if we fundamentally get the principle of land ownership back into the land business in our province we will have the type of plan that all the people of Saskatchewan will support.

Mr. Speaker, I would simply conclude my remarks on this Resolution by saying that we will be opposing this Resolution

because of the points that I mentioned and more for philosophical reasons, because we do not think that the type of co-operation that the Government opposite is talking about would be in the best interests, in the long-term interests of those small farms in the province of Saskatchewan.

It is unfortunate that the Government, I honestly believe, thinks that the Small Farms Program will make the Land Bank look bad in the eyes of many people in Saskatchewan. It is pretty obvious that it will, in many respects, make it look bad, because the Federal Government plan is superior on such counts as grants to retiring people, interest rates to other small farmers. It is superior because of the fact that it still fosters ownership and control of the property.

Mr. Speaker, it is for these fundamental reasons that we will oppose the Government's Resolution.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Messer** (Minister of Agriculture): — Mr. Speaker, it is not with any amount of surprise that I hear the Members opposite saying that they are going to oppose this Resolution. They have opposed everything that has been brought forward of a constructive nature in this House, to this point in time. They are simply being consistent with a narrow minded point of view.

Now the Hon. Member from Cannington, who just sat down, says that he is opposed to it because of his philosophy. I should like to remind him that you firstly have to have a philosophy about something before you can philosophically oppose something. And if we were to look at the kind of pattern of consistency in which you have opposed everything that has been beneficial to farmers in the Province of Saskatchewan, I would say that you have no philosophy.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Messer:** — They continue, Mr. Speaker, to say that we are developing a pattern that will ultimately develop us or bring us to the point of being the largest land owners in the Province of Saskatchewan. Again, I remind them that the Government of Saskatchewan, for 20 or 30 years, has been the largest landowner in this province. There is nothing new about that. Absolutely nothing new!

**Mr. Lane:** — Oh, oh!

**Hon. Mr. Messer:** — The Member for Lumsden says oh, oh, which is about the most that he has to contribute to this Legislative Assembly. They know, that when they were the government for seven years, they were the largest land owners in the Province of Saskatchewan, as we are the largest land owners as the Government of Saskatchewan now.

They try, Mr. Speaker, by some means to insinuate to farmers in Saskatchewan, that the condition of the Land Bank which says you have to rent the land for five years is something new, rent it for five years before you can purchase it.

Mr. Speaker, they know that when they were the Government for seven years, that their land policy said that you had to rent land for five years before you could submit an application to purchase.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Messer:** — For five years, the same as it is now, but they go about this province trying to convince farmers of untruths by using innuendoes and not referring to the facts.

Now, Mr. Speaker, they also say that we are launching a propaganda campaign, and that that is fine, we get along quite well because we deal with people who don't know any differently or don't know what is really going on. And, that in fact, we are saying that the Small Farms Development Program is to get rid of farmers.

The Member for Cannington (Mr. Weatherald) says that the Small Farms Development Program is not designed in any way shape or form to get rid of farmers. In fact he says that the Land Bank Commission, when it buys a farm and rents it to another, that it eliminates one farmer. May I say that he go back to simple arithmetic and then say that you still end up with one less farmer. You buy one and you rent it to a new farmer. You haven't lost any. Granted you have not increased the number of farmers by any, but you have not lost one farmer.

**Mr. MacDonald:** — Would you permit a question?

**Hon. Mr. Messer:** — The Member will be able to ask all the questions he wants when I finish my address. He may have a few more to ask at that time.

The Member for Cannington . . .

**Mr. Lane:** — . . . look, Jack.

**Hon. Mr. Messer:** — Mr. Speaker, I wonder if you will inform the Member for Lumsden (Mr. Lane) that if he wants to speak on this Resolution he will have the opportunity to do so, otherwise he should just sit in his chair and keep his mouth closed and listen to some common sense.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Messer:** — Mr. Speaker, the Member for Cannington made some references in regard to the basic components of the farm plan. I should like to review a couple of those as he made mention of them and some he did not mention.

He said that there is a farm listing service provided where farmers wishing to sell small units could list the land. That is a provision of the Small Farms Development Program and there is nothing really wrong with it. That there will also be the payment of a grant to operators of small farm units, if and when the farm is sold. This grant to be \$1,500 plus 10 per cent of the sale value of the farm unit up to a maximum of \$3,500 for the total grant.

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That is a provision in the Small Farms Development Program. We don't criticize that and there is nothing wrong with it. Mr. Speaker, also a component of the Small Farms Development Program . . .

**Mr. Lane:** — . . . how about the . . .

**Hon. Mr. Messer:** — We will have the opportunity to debate that at a later time also.

Mr. Speaker, another condition of the Small Farms Development Program is that, a temporary purchase and resale plan where a buyer is not immediately available, the Farm Credit Corporation would make an offer at 90 per cent of the market value and attempt to resell immediately at market value. The Farm Credit Corporation would be acting only as a buyer of last resort and thus it was anticipated that this aspect of the plan would be very active.

Mr. Speaker, when we look at reverting to that kind of last resort, we then find a philosophy of eliminating farmers, because it is obvious if the Farm Credit Corporation is going to purchase a piece of land that has not been able to move in the area and sell it immediately to whoever is in a position to purchase, that it is going to go to an already established larger farmer, thereby reducing the number of farms in Saskatchewan.

Now some of the things that the Member for Cannington doesn't say, Mr. Speaker. He says that this program, the Small Farms Development Program, is not designed in any way shape or form to get rid of farmers or to reduce the number of them. Let me refer him to some of the special credit facilities that are used for the purchase of small farm units where: The purchaser already has a unit in excess of the maximum size provided for under the Farm Credit Corporation. For the first time, Mr. Speaker, the Small Farms Development Program has acknowledged giving money to farmers who are already too large legitimately to get recognition from the Farm Credit Corporation if they were to apply for a loan under any other circumstances. Meaning only one thing, Mr. Speaker, that large farms will continue to get larger and small farms will continue to decline in number. That is the kind of special credit facilities which the Member for Cannington said will not reduce the number of small farmers in Saskatchewan.

Also, Mr. Speaker, there are special credit facilities for purchasers of small farm units, where the purchaser has already borrowed up to the maximum permitted under the Farm Credit Corporation. So whatever that ceiling is and the Farm Credit Corporation legitimately in the past said, that you have now borrowed the maximum and that you now no longer need assistance from the Federal Government or the Farm Credit Corporation, your farm base is large enough, but under the Small Farms Development program, they say that we shall give special consideration to you so that you can take the small farms as they become available and add them to an already existing large unit.

Again, obvious reduction in the farmers in the Province of Saskatchewan by that means of transfer.

Also, they have provided special credit facilities for purchases of small farm units where the purchaser does not intend to use the land for farming and was then not eligible for Farm Credit Corporation loans. Again, providing an opportunity for people in Saskatchewan, for those where the Small Farm Development Program is working, to buy farms that are offered for sale which may in fact never, never be used for farming again because they will provide credit for people to buy them who have no intentions of establishing or developing a farming unit.

Now, Mr. Speaker, the stated objective of this Government is to promote viable family farms in Saskatchewan. Family farms that return to their operators a reasonable income and gives them the decent standard of living that they are deserving of, whether it be by programs administered by the Government of Saskatchewan, or by programs administered by the Federal Government, or by a co-operative effort, of all levels of government, be they provincial or federal. We must bring about this necessary development so that we can establish economically viable family farms.

Such a goal, in our minds, can be best achieved by co-operative efforts by all levels of government. And the Government of Saskatchewan is ready, as it has always been ready and willing to do everything within its power, to see that that objective is achieved.

At this Session of the Legislature, Mr. Speaker, this House has been asked, and will be asked, to approve The Agricultural Incentives Act, which will provide for livestock loans to farmers. It includes a system of grants and loans to farmers and it includes a system which will bring about the needed assistance in order to establish and expand new farming units in this province.

Mr. Speaker, this Bill will assist in promoting diversification of family farms and enable them to increase their net returns.

**Mr. Meakes:** — Mr. Speaker, on a Point of Order. There is so much noise coming from across the way that I can't hear the Minister. I should like the Page to take this over and present it to the Hon. Member for Lumsden (Mr. Lane) so that he can button his lip.

**Mr. Lane:** — Returning the comments of the Hon. Member, would you ensure that the Minister of Agriculture stays on the topic which I believe is a Resolution. He is now talking about The Agricultural Incentives Act.

**Hon. Mr. Messer:** — Mr. Speaker, we are talking about two programs, one federal, one provincial. The Members to your left profess that the federal program is structured in order to maintain and create economic viability for family farms in Saskatchewan. We say that that program does not do that. We say that the Land Bank Commission is one that gives more recognition to that kind of need. If we are talking about numbers of farms, it is obvious that we have to have some other programs that are going to be able to bring about that stability. The crux of the

whole problem is whether we are going to maintain the number of farms in Saskatchewan or expand them, or whether we are going to follow their philosophy, if in fact they have a philosophy of decreasing the number of farms in this province.

Now, Mr. Speaker, it is obvious to me that the success of any of these programs of assistance can only be achieved if the farmers are able to control, at reasonable cost and with reasonable security, an adequate land base. Land transfer is a single most important aspect of the development and maintenance of the family farm. Recognizing this we introduced at the last session of the Legislature the Land Bank Commission. This program ensures that family farms which need an additional land base will be able to secure such land when available in the area without having first to save a large sum of money for a down payment, or without having to qualify for a mortgage or a loan which requires some collateral. The land is made available on the basis of a long-term secure lease on a cash rental basis, which has been set at five per cent of the market value for the first ten years. This program ideally facilitates the father to son land transfers which are needed so badly in this province. The father who sells his land to the Land Bank Commission can receive the full market value for his farm in cash or in the form of an annuity, permitting him to retire in dignity. The son can lease the land from the Land Bank without having to worry about raising a down payment or the collateral he would need to purchase the land under conventional mortgage arrangements as they are today. Under this program the farmer nearing the age of retirement can gradually liquidate the assets he has tied up in land by taking advantage of the lease back arrangements which allows him to farm the land until retirement age. The Land Bank lease can be willed to heirs in the same manner as deeded land can be willed to heirs.

Mr. Speaker, this program has proved to be most successful. When the program commenced the Land Bank Commission received more than 1,500 applications from farmers wishing to sell land to the Land Bank Commission. The response from those applying for lease land from the Commission has been even greater. In spite of this, Mr. Speaker, the Members opposite have done their best to scuttle this program. They tried to launch a campaign against it in the country but that has proven unsuccessful. They have fussed and they have fumed about it in this Assembly and they have mumbled dire warnings about it on open-line shows and in the Press, and rumors, and innuendoes and hearsay. They haven't been successful at scuttling this program and they won't be successful, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Messer:** — They won't be successful, Mr. Speaker, and it is time they learned because it is a program that the people of this province need, want and have already endorsed.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Messer:** — The Small Farms Development Program proposed by the Federal Government, has already been implemented in some other provinces in Canada. It is not through lack of effort or desire on the part of this Government that co-operation between the two programs has not been achieved in Saskatchewan at this

point in time. There have been meetings at the ministerial level and at the deputy minister level. This Government has worked tirelessly with the federal people to achieve a meld of the two programs. Any agreement that can be reached that is to be a benefit to the family farm is a benefit to Saskatchewan and one that the Government of Saskatchewan will endorse. This Government is prepared to co-operate and work with the federal program in two major areas. One, farmers who sell to the Land Bank should be able to receive the Federal grant if they qualify as eligible vendors under the Federal program. Two, vendors to the Land Bank and recipients of Land Bank land should be eligible for help through the Federal counselling service. These are the areas of the Federal program that would be of advantage to the rural community of Saskatchewan. Yet these are the areas of assistance on which the Federal Government refuses to co-operate with the Province of Saskatchewan.

This, Mr. Speaker, of course, confirms one thing. It confirms our original suspicions of the Federal plan which was that its main concern is with getting the small farmers to sell out. The fact that the larger farmer through his preferred wealth and income position will have an advantage in acquiring such land continues to be one of our major concerns of this Federal program. Any land transfer program that does not give small, non-viable farmers the opportunity to add to his land base in competition with the large affluent operator is not acceptable to the Government of Saskatchewan. Any land transfer program that involves the raising of capital by way of mortgages works against the small operator and those who wish to establish a farming enterprise. He cannot borrow through the traditional lending institutions because of his lack of equity. The small farmer is then forced to remain small while the large operator is able to assimilate all of the available land in the area. The Federal program will have the effect of eliminating the small farmer since lands so acquired would be sold to those farmers who qualify as mortgagees. The program therefore does not change the position of the small farmer who needs more land. Furthermore, Mr. Speaker, it is unreasonable to suggest that vendors who wish to sell their land to the Land Bank should be discriminated against by not allowing them to receive the grant for vendors made available by the Federal Government, providing that they would otherwise qualify.

To many young farmers there is a clear advantage in leasing over ownership. Many potential or indeed existing farmers do not wish to devote large amounts of their earnings to land payments. They want to have access to their money now, not at some later date or when they retire, if they are fortunate enough to be among those who, in fact, reach retirement age. The Federal program must include the freedom of the vendor to sell to anyone whom they should choose without discrimination. This, in turn, would allow the starting or expanding farmer a freedom of choice between ownership or a secure leasing agreement. Such a leasing opportunity has not been available to him in the past.

The Leader of the Opposition (Mr. Steuart) recently stated when he was on one of our local open-line shows, that there was plenty of opportunity to rent land in Saskatchewan. There is a trace of fact in that statement, Mr. Speaker, but what our hon. friend from the Prince Albert West riding failed to point out is that these leasing opportunities are available only from older farmers for those wishing to retire because of financial,

age or health reasons. Along with these leasing opportunities goes the full knowledge that there is little or no security attached to that lease. The Saskatchewan Land Bank Commission has removed completely this particular problem and at the same time permitted the greatest possible freedom that can be granted to the lessee.

Mr. Speaker, farmers who can buy land now do not need the assistance of the Land Bank. A farmer who does not need help may after five years of successful leasing exercise an opportunity to purchase. However, he will not be forced to do so. If and when he does exercise his option he will not be in competition with his larger neighbors to purchase, only he will have the option to purchase the land he has leased. The Government's position has been clear, let there be full co-operation between the two programs so long as the benefit is to the family farm. But we will oppose any aspect of the program that means the eventual elimination of the family farm for this province. This Federal Small Farms Development Program as presently structured, does exactly that. Once agreement is reached to remove such aspects of that program, full co-operation could and will be achieved. The Saskatchewan Department of Agriculture has been quite emphatic in meeting with the Federal Department of Agriculture in indicating its willingness and desire to develop a co-operative arrangement between our provincial program and the Small Farms Development Program. Yet they have rejected our proposals for co-operation without any indication of the alternative arrangements that we would be prepared to make with them.

Now, Mr. Speaker, I just briefly want to review some of the issues regarding the Small Farms Development Program and the Land Bank. The Federal Government first placed the outline of its program before the provincial governments, all provincial governments in Canada, in March of 1971. At that time the program was known as Farm Plan with the long title being the Farm Adjustment and Resources Mobility Plan. The Farm Plan was basically an outgrowth from the Task Force report. The basic assumptions were that there are an excessive number of uneconomic farm units in Canada and that the aggregate opportunities for growth and development in agriculture are extremely limited. The logical conclusion following from these assumptions is that if some farms are to grow to economic size, many others will have to disappear. The eligibility requirements under this program for the selling farmer were: (a) be an owner and operator of a farm; (b) accept an appraised or agreed sale value of the property; (c) own a farm including all buildings thereon with the appraised value or mutually agreed value of not less than \$3,000 and not more than \$20,000. Mr. Speaker, we have on numerous occasions endeavored to have the Federal Government lift that \$20,000 ceiling because it does not really apply to many farmers in the Province of Saskatchewan. We have also endeavored to have them provide more money than the initial \$150 million that they refer to be spread over a five-year period and divided up among all ten provinces of Canada, because again this does not make for a very significant program of land transfer for farmers in need of transfers; (d) the eligibility requirements were that an equity in the farm real estate equalled at least 65 per cent of the appraised or mutually agreed upon value; (e) during the last two years have had an average estimated net farm income of less than \$2,400 excluding farm perquisites or gross farm receipts from the sale of agricultural products averaging \$6,000 or less during the period; (f) have

received at least 60 per cent of his personal income excluding old age security payments and other social benefits from the sale of the farm products produced on the farm; (g) have a reasonable expectation after selling his farm of sustaining himself and his family through other employment that may be available to him in that region or area.

Now a rather vague proposal to establish a farm counselling service was included in that original proposal. The rationale for this proposal was rather unclear since this area has traditionally been the responsibility of the provinces, either independently or on a shared cost arrangement under ARDA agreements. It later became apparent that this was really an attempt to side-step the ARDA arrangements and to establish a direct federal presence in the field.

The program was discussed, Mr. Speaker, by all provincial Ministers of Agriculture at their annual conference in July of that year – in July of 1971. It was unanimously rejected, unanimously rejected, Mr. Speaker, by all provincial Ministers of Agriculture. They all turned that program down coldly and flatly. The reasons for the rejection, Mr. Speaker, were twofold. The program was inconsistent with the Farm Development strategies being pursued by all provinces. The program was in conflict with mechanisms already available under ARDA and which give the Federal Government a role in agricultural development and adjustment programs. The Ministers of Agriculture established a working committee from that meeting made up of representatives of all provinces to draft a plan of development for Canadian agriculture that would give the Federal Government an expanded role in agricultural development activities. A comprehensive report was drafted and presented to the Federal Minister in November. The essentials of that report were: (a) improved programs were needed to enhance the opportunities for uneconomic farm units to grow and to improve levels of income, rather than drastically to reduce farm numbers; (2) such programs should be planned and implemented co-operatively by the provincial and federal agencies under a modified ARDA or some similar agreement; (3) the traditional division of areas of responsibility for implementing programs between the Federal and Provincial Governments should remain essentially unchanged but with increased financial contributions by the Federal Government or the expanded cost-sharing arrangements when developed should be covered by a new set of Federal-Provincial agreements.

Now the Federal Minister when that report was presented to him, rejected the report but did agree to further discussions among officials to see whether parts of it might be acceptable. After a year of agonizing discussion and negotiation with the Federal Minister he proposed some modifications, three in particular. One, to change the name, henceforth the program was called the Small Farms Development Program apparently in order to create the illusion that the program was really concerned with the growth and development of existing small farms. Two, the creation of a new agreement for sale provision whereby the operators of small farm units with limited equity can acquire land transferred under the program even though they are not eligible under FCC normally. This was a substantive change in the program and welcomed by most provinces. I bring to your attention that both of those were recommended by the provinces, the Provincial Governments of Canada. Three, a provision for agreement between the Federal and Provincial Governments. This agreement would not provide for any new or expanded elements

in the program but would state only that the province agree to the implementation of the program. Now, Mr. Speaker, while this was a complete perversion of the recommendation made by the report that I mentioned earlier, it was a shrewd political manoeuvre on behalf of the Federal Government. This provision has presented the provinces with two choices, either they can sign the agreement thus involving them in the program and removing further possible room for criticism or they can refuse to sign thus permitting the Federal Government to claim that the province is obstructing the introduction of a program that they claim is a good one. It is clear from this that the Federal Government responded to Federal-Provincial negotiations solely in terms of political considerations and with little if any regard for the substantive questions that were raised in those reports. Similarly, Mr. Speaker, as this Provincial Opposition in Saskatchewan is opposing the co-operation that we have been asking for.

Mr. Speaker, the Members opposite have pointed out that nearly half the provinces in Canada have signed a Small Farms Development Agreement with the Federal Government. I say that is a pretty poor record, Mr. Speaker, for a program that has been available to those provinces for two full years, less than half of the provinces of Canada have signed. With an exception of only one province, none have the kind of farming concerns and problems that we have in the Province of Saskatchewan. The Maritime provinces have signed, British Columbia, Ontario, but they don't have the kind of problems of rural depopulation that we have in Saskatchewan, therefore they don't have the concern we have in Saskatchewan, therefore as to the resulting repercussions of the Small Farms Development Program that we have in the Province of Saskatchewan.

Again, Mr. Speaker, may I say that this Government's position is most clear. Let there be full co-operation between the two programs, so long as the benefit is to the family farm. We will oppose any aspect of the program that means the eventual elimination of the family farm. The Federal Small Farms Development Program as presently structured does exactly that. Once agreement is reached to remove such aspects from the program full co-operation could be achieved. The Saskatchewan Department of Agriculture will continue to pursue that kind of objective. Mr. Speaker, co-operation from the Federal Government is welcomed and requested. We only ask that any assistance given be to enhance and not inhibit the function of our own programs, that have already established for themselves a vital role in the preservation and rebuilding of rural Saskatchewan.

Mr. Speaker, because I have some other remarks I wish to make at a later date in regard to this debate, I beg leave to adjourn debate.

Debate adjourned.

### **Resolution No. 5 – National Feed Grains Program**

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. Carlson (Yorkton):

That this Assembly recommends that the Government of Saskatchewan initiate negotiations with the Federal Government directed at establishing a national feed grains program which will:

1. Provide a guaranteed price for feed grains through a Grains Income Stabilization program, such price to take into account production costs.
2. Establish a Feed Grains Reserve Bank which will guarantee delivery opportunities to feed grain producers, and which will guarantee a supply of feed grains to livestock producers at all times.
3. Establish equitable price relationships for feed grains throughout Canada.

**Mr. Weatherald** (Cannington): — On this Resolution, I will be moving an amendment later on, at the conclusion of my remarks. The amendment basically will mean that the position which we would prefer on feed grains is simply that the Wheat Board as they are doing this year in our opinion are establishing prices at a level for the producer to guarantee the production that will be necessary to satisfy both export markets and to satisfy the requirements for feed grains for our own domestic production of livestock.

Mr. Speaker, if I may read the amendment, but will not move it at this time, we would ask that the Canadian Wheat Board establish initial guaranteed prices for feed grains which will ensure adequate supplies are produced for both domestic and export markets and secondly, that they establish selling prices that will ensure a fair net return to the producer of that commodity.

Mr. Speaker, essentially this means that the feed grain system will not operate in a drastically altered situation from what it is now. We believe that this is still the best interests of both the people producing it and the best interests of producers of both hogs, poultry and cattle in our province. It would be very easy for us, Mr. Speaker, to adopt the Resolution put forward by the Hon. Member for Yorkton, but we would suggest that it is still extremely important that there be a free flow of grain from grain producers to feeders in our province in the most efficient manner. It is also important, we believe, that adequate supplies are available. Thirdly, we believe that any national policy must allow a concentrated production of livestock in the most efficient, and I emphasize the word, the most efficient regions of Canada. We believe that the Province of Saskatchewan and indeed Western Canada is one of the most efficient regions for the production of livestock. It is to our economic advantage that we use as much feed grain here in the western region as is possible for the production of livestock. We think we have an economic advantage in that regard over many of the other regions of Canada, particularly Eastern Canada and British Columbia.

It is particularly on the third section of the Resolution moved by the Member for Yorkton that we would be concerned. An equitable price relationship as he has suggested for feed grains throughout Canada could in our opinion be detrimental to many producers here in our province. Certainly it is well known that the price of livestock as it moves to Eastern Canada is higher, simply because of the freight rates. Both cattle and hogs, as they move towards Montreal or Toronto the price is higher at the market level than it is here, particularly here in Regina. The reason is obvious, for the biggest market is

where the most consumers are, Mr. Speaker, and therefore the closer you get to the market, then the higher the price for the product, which is simply reflecting freight.

Therefore, if we use feed grains at the same price available to the producer or the feeder in Ontario, as they would be here in Saskatchewan, then the livestock person carrying out that production in Ontario has an economic advantage that we have given him through subsidies for using up the grain in the production of that livestock. It is for this reason that we believe that the third part of the Resolution would not be in the best interest of the Province of Saskatchewan where feed grain as I understand the Resolution to read, would be at a fairly basic price then as now.

I would however suggest that pricing policy for feed grains for all Canada that is fair to everyone is still a subject that should be pursued by all the provinces and the Federal Government. It is an extremely complex matter and I doubt very much if a solution can be found to it simply by a resolution of the Legislature in the manner which has been put forward to the Members here. I think this would be a subject worthy of discussion and indeed has been the subject for many views of both the producer of the feed grain and the producer of livestock. Often the requirements or what is wanted by someone who is a farmer in Ontario is totally different to what would be wanted by an individual producing livestock in this province. It is for these reasons that I would suggest that a meeting be held at some time in the future of all the provinces, the Minister of Agriculture and the Federal Government with other interested persons to see if this problem which has faced the whole country for some length of time in an attempt to be able to come up with some solution that would be reasonably equitable to all provinces.

Mr. Speaker, the other part of the Resolution suggests a guaranteed price for the feed grains through the Grains Income Stabilization plan and what I understand to be a Feed Grain Reserve Bank mentioned in the second part of the Resolution. It would appear to me that there would be great administrative problems with feed grain reserve banks. I would doubt very much if once in the last 20 years the producers of livestock have really required the use of a feed grain reserve bank. The exception to that may have been 1961, when we suffered a very, very severe drought and there were some provisions for farmers to get grain from the elevators in that particular year. It is because there has seldom been a need for a feed grain reserve bank, that I would seriously suggest that it would be a step in the wrong direction. There would be all of the storage costs, administrative costs in setting this feed bank up, and it would cost producers a great deal of money or the taxpayers a great deal of money to keep grain available, Mr. Speaker, this might as I have suggested have been needed once in the last 20 years.

Well, Mr. Speaker, in regard to price stability certainly feed grain this year has gone up but I don't see anyone complaining too much about it, because the price of livestock is also at record highs. I think that even at the prices being paid for grain today that the profit margin in the production of livestock this year is quite good and I think most livestock men are willing to acknowledge this.

I want to say too that I think the problem of distribution and location of a feed grain bank would be exceptionally difficult. For example, we may have producers haul feed grain to some depot, 30, 40, 50 miles away. But really the economics of trying to get it back to the farms 50 or 60 miles away is very expensive. The attempt by any administration to locate feed grain banks around the province I think again would put a very heavy economic load on producers or generally taxpayers in the long-run. In essence, I think that a feed grain reserve bank that has been proposed would be exceptionally expensive in comparison to the benefits received. I would suggest that any subsidies or money that is available be allocated where this can be better used in another manner. I think therefore that the amendment that I will shortly move will indicate that we do feel that prices need to be set by the Wheat Board so that the production of feed grain will be forthcoming. The Wheat Board this year has recognized that fact, they have raised the price of barley substantially to encourage producers to grow it. I think this year producers will grow a sufficient amount of barley for both domestic and export markets. I think also that the Wheat Board's efforts in establishing a fair return to producers on the export market are well recognized. Prices have improved. I therefore move an amendment to this Resolution, seconded by Mr. MacLeod (Regina Albert Park):

That all the words after the word "recommends" be deleted and the following substituted therefor:

the Canadian Wheat Board (a) establish initial guaranteed prices for feed grains which will ensure adequate supplies are produced for both domestic and export markets; (b) establish selling prices that will ensure a fair net return to the producer.

The debate continues on the motion and the amendment.

**Mr. Larson** (Pelly): — Mr. Speaker, I was trying very carefully to follow the Member for Cannington in his comments on the Resolution. I found it as confusing as ever to try to make very much sense out of what he said. When I read the Resolution originally, I thought it was an excellent one. I thought that it embraced much of the things that farmers and grain producers as well as feeders have been looking for, for a very long time. I wanted to say some very important things about that situation and yet I find now that we are confusing the whole issue by having the Member from Cannington move an amendment.

He talked about adequate supplies. Mr. Speaker, I would remind the Member from Cannington that we have suffered from over adequacy of supplies to the extent where we couldn't give the stuff away. Now for a change we are in a different position and he is now talking about adequate supplies, talking about the most efficient regions of Canada for feeding livestock. I suggest, Mr. Speaker, that one of the more efficient regions of Canada to feed livestock is in the West where we grow the grain and where we have the potential to grow the feed and the stock. He talks about his concern for equitable prices. Well, I think again, that if anyone needs equitable prices it ought to be the people and the farmers of Saskatchewan, because we have been selling it for one cent a pound and I don't know how he can stretch his imagination to a point where he can consider this an equitable price. He talks about the extremely complex

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system and the extremely complex problem that won't be solved very easily. He talks at this stage after a great number of years about a meeting, an interprovincial meeting to discuss the problem. Mr. Speaker, I suggest that the time for talking is over, the time is here for action, because we certainly are sitting in a situation and at a stage when we really aren't geared or prepared to take advantage of the situation as it exists. He talks about a guaranteed price, he talks about the costs. Again the Liberal Party is as always concerned about costs, not what the farmer has to pay and what it costs the farmers, but costs to somebody else. Costs to the taxpayers. He says it is going to cost them a lot of money. Then he says distribution is a real problem. Well I can't see, Mr. Speaker, how distribution of a product that is raised and grown inside of Canada can pose that large a problem that we can't solve it.

Then he winds up with the suggestion that the money that it would cost the taxpayer could be used for other purposes. Truly, Mr. Speaker, a totally confused and a totally irrelevant picture. Totally irrelevant to the intent of the Resolution, to the problem that we have lived with for a long time in this country.

I should like to comment further on the amendment because if I read it correctly it is going absolutely to take away from the resolution the fundamental principles that it talks about and that we are trying to establish.

I have thought about and lived with this feed grain situation for a very long time and I thought at this stage that we were getting very close to some understanding and agreement and I had hoped that this House would have supported the Resolution without watering it down, without amending it or dragging in red herrings.

Therefore, Mr. Speaker, because I have many more things that I should like to say, I would at this stage beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:17 o'clock p.m.