

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
December 8, 1982

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

WELCOME TO STUDENTS

HON. MR. LANE: — Mr. Speaker, on behalf of the Minister of Industry and Commerce, Mr. Rousseau, it's my pleasure to introduce to the Assembly some 23 grade 4 students from the Dr. A.E. Perry School in Regina. They are accompanied by their teachers, Mrs. Inglis and Mrs. McKay. They are, I believe, in the Speaker's gallery. I would like to advise them that the Legislative Secretary to the minister, Mr. Folk, will meet with them after for pictures and answer any questions that they may have. I would ask, Mr. Speaker, that all members join with me in welcoming these students.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Transfer of Harry Van Mulligen

HON. MR. BLAKENEY: — Mr. Speaker, my question is to the Minister of Finance and the minister in charge of the public service commission. It concerns the announcement that the government would be establishing guidelines for public servants; guidelines to tell public servants and everyone in Saskatchewan what public servants may say and what they may not say and where they may say it and where they may not say; guidelines which will in effect modify the Canadian constitution and the Saskatchewan Human Rights Code. My question to the minister is this: in view of the fact that guidelines are promised to us later this week, will the government now suspend any steps they may be taking in order to transfer Alderman Van Mulligen?

HON. MR. ANDREW: — Mr. Speaker, I believe the statement I made in the House yesterday was as follows: the Premier would be making a statement with regard to guidelines. That's not to say that he is going to have the guidelines ready tomorrow. He is going to make a statement with regard to the guidelines and how we as a government are going to approach the question of guidelines.

HON. MR. BLAKENEY: — Mr. Speaker, that was not my recollection nor the recollection of the person who wrote the story in the *Leader-Post*. I understand the government to say that they were promising us guidelines.

My question is this: if guidelines are to be forthcoming, or (to put it at its minimum) a statement on guidelines is to be forthcoming very shortly, how do you justify the retroactive application of those guidelines to any employee of the Government of Saskatchewan?

HON. MR. ANDREW: — Mr. Speaker, what I indicated to the Assembly yesterday that the question that we are going to try to address with the guidelines is a question that other governments besides ourselves are trying to wrestle with as well. It becomes a

question of guidelines and how clear those guidelines can be and how they must come to a balance with regard to this whole question. That's simply what the Premier will be attempting to do and that is simply where the situation sits at this point in time.

HON. MR. BLAKENEY: — Mr. Speaker, and, Mr. Minister, the fact that you are putting out guidelines is evidence, is an admission, that the current guidelines are unclear. If the current guidelines are unclear, as I submit they are (they were clear enough before your government, but they're unclear now), why are you applying them retroactively to Alderman Van Mulligen and not to other employees of the Government of Saskatchewan who have acted in the same way that Alderman Van Mulligen has?

HON. MR. ANDREW: — Mr. Speaker, with regard to the issue of Mr. Van Mulligen, I think action has been taken with regard to Mr. Van Mulligen. The issue is presently before the courts. It is now at the point of view for the courts to determine whether that was proper action or improper action.

With regard to that question, Mr. Speaker, I think what we have simply indicated, arising out of what the Premier in response to questions on Monday addressed the question . . . When dealing with these particular things it very often becomes a question of . . . When dealing with these particular things it very often becomes a question of degree. It becomes a question of professionalism as to how a given civil servant acts in a situation. That's the issue that the Premier will be addressing with regard to guidelines. How he announced those, how he approaches that, Mr. Speaker, that is the matter we are trying to deal with.

HON. MR. BLAKENEY: — A new question to the minister in charge of the public service commission. In view of the fact that we do not now have guidelines, and in view of the fact that guidelines are not now promised us this week (as I thought the minister said and as the *Leader-Post* thought the minister said), I ask, in view of the fact that we are going to have to apparently wait some time, would the minister clear up one aspect of the matter? Would he indicate which guidelines now apply so that information officer Harry Van Mulligen is penalized for speaking out on the wage controls issue in the Regina City Council and public relations officer Alderman Cholod is not penalized for discussing the same issue before the same council?

HON. MR. ANDREW: — Mr. Speaker, that question was advanced by the hon. member yesterday. I indicated at that time, Mr. Speaker, that this question is presently before the courts. The hon. member is a member of the legal profession. He knows that when matters are before the courts it is improper for us to deal with them in this particular Assembly.

HON. MR. BLAKENEY: — Mr. Speaker, a supplementary. Yesterday I took the word of hon. member that the matter was before the courts, and I was wrong. It was not before the courts. Are you now telling us that it is before the courts?

HON. MR. ANDREW: — Mr. Speaker, I am advised that Mr. Van Mulligen is proceeding in the courts with an injunction. As far as I am concerned, that is bringing the matter before the courts. As a result, we think it's improper to comment when the matter is obviously going to be dealt with in the courts, an injunction which must come very quickly following the time. So, clearly, it's going to be before the courts or is before the courts.

HON. MR. BLAKENEY: — Mr. Speaker, and, Mr. Speaker, the point I made was that yesterday you said it was before the courts, and it was not. The question is: are you

assuring the House that it's now before the courts?

HON. MR. ANDREW: — Mr. Speaker, I supposed I could be criticized for misleading the House. I simply read in the *Leader-Post* and listened on various other parts of the media and inferred from Mr. Van Mulligen's press conference that he intended to proceed by way of injunction over the next three days. I assumed that that would be proceeding. I don't know whether it's before the courts with regard to the injunction or not, but clearly you as a lawyer know that you don't wait six months to bring an injunction.

HON. MR. BLAKENEY: — Mr. Chairman, and, Mr. Minister, a question now, not on the Van Mulligen issue, but on what is now the Bailey issue. One Ray Bailey of Weyburn is a driving instructor and is quoted in the press saying as follows:

I'm a driving instructor in Weyburn. I'm licensed by the Saskatchewan Highway Traffic Board and Department of Education. Does that mean I can't criticize the government at all? Is my job on the line?

May I ask the minister: is his job on the line?

HON. MR. ANDREW: — Mr. Speaker, I think that obviously the hon. member tries to dodge the question with regard to the degree of the person's employment, the nature of that particular employment — the question with regard to what the Premier raised on Monday. What we are trying to address obviously is the question of the guideline that applies to that. If you want to go through a series of questions and ask about every employee in the government, you're going to get the same answer. Number one, it's hypothetical. I don't even know where Ray Bailey works. He's a driving instructor; I don't know whether he works for the government or for some school board, nor does one care. The question is the degree, and I think the degree is . . . As the hon. member tried to make yesterday . . . The degree is the question between one particular member of a council, let's say Oxelgren and one particular member of council, Van Mulligen.

One is a person who is out there writing speeches and communicating a message for the government. The other one does a more routine type job. Those are the types of areas that you have to look at for guidelines. That's what we are going to try to address.

HON. MR. BLAKENEY: — Mr. Minister, one last time. In specific reference to your last answer, would you kindly tell me the difference in sensitivity between an information officer and a public relations officer, each for a crown corporation?

HON. MR. ANDREW: — As I indicated yesterday, Mr. Speaker, I am not familiar with the particular job of Mr. (I think his name is Cholod, you indicated). A public relations officer with a particular crown corporation could be involved with printing up magical brochures and that type of thing. They haven't been very busy the last seven months because we haven't been doing a lot of public relations on television, etc., with our crown corporations. That particular thing can vary substantially from a person who is supposed to write speeches, a press releases, etc. — do the job that an information officer, a press officer, that type of person does for a particular government or a particular minister.

Compensation for Residents of Uranium City

MR. THOMPSON: — Thank you, Mr. Speaker. I direct my question to the Minister of Finance in the absence of the Minister of Northern Saskatchewan. My question, Mr.

Speaker, is concerning reports, this morning, that the government has decided against any compensation for the private home-owners and the private business community in Uranium City. My question: has the cabinet, in fact, reached a decision on compensation and is that decision not to provide compensation to the private home-owners and the private business community in Uranium City.

HON. MR. ANDREW: — Mr. Speaker, I think that question has been asked of the Minister of Northern Saskatchewan on several occasions in the Assembly. The answer that the Minister of Northern Saskatchewan indicated is that we never made a commitment to provide the compensation with regard to that. What we did is provide compensation for people to relocate. He has always taken the position that that is the compensation for people to relocate. He has always taken the position that that is the responsibility of the federal government. That matter has not been before cabinet since the last time you asked the question of the Minister of Northern Saskatchewan.

MR. THOMPSON: — A supplementary, Mr. Speaker. By way of information, you indicate that your government has no obligation to the community of Uranium City and rules out compensation to the private business community and the private home-owners. Mr. Speaker, I would like to just quote from your leader. This was on April 21, 1982, and this is out of the *Leader-Post*. Mr. Devine is quoted as saying:

Devine also promised to find a fair way of compensating home-owners and the business people of Uranium City.

My supplementary question to you, Mr. Minister, is: do you not feel that your government has an obligation to honor the commitment that he made on April 21 in Uranium City to the business community up there and the private home-owners?

HON. MR. ANDREW: — Mr. Speaker, that is an identical question, I believe, to one asked by the Leader of the Opposition two weeks ago. Identical. Reading the same quote, Mr. Speaker, from that, what the Premier indicated is that we're prepared to look at Uranium City, to do what we could do for Uranium City. We have provided significant amounts of money to help for relocation of people in the situation. We have tried to lobby with regard to Eldorado Nuclear. Their responsibility . . . Mr. Speaker, they are the people that led the great olive branch out to these particular businessmen. If that wasn't such the case, to expand their business because they were going to carry on with the mine . . . Then they turned the mine off. They suggested that we pay for that, Mr. Speaker.

We have taken the position from the start, and continue to take the position, Mr. Speaker, that that responsibility rests with the federal government, and with the crown corporation, Eldorado Nuclear.

SOME HON. MEMBERS: — Hear, hear!

MR. THOMPSON: — One final supplementary, Mr. Speaker. Do you not feel that your government has an obligation to honor this commitment made by your Premier? Yes or no?

HON. MR. ANDREW: — Mr. Speaker, we believe that we are addressing that question. We believe we are addressing it responsibly. We believe that we can deliver some assistance to the people of Uranium City, but we ultimately believe that the final course to deliver that particular type of help must rest with the federal government and with Eldorado Nuclear.

Farm Purchase Program Forecasts

MR. ENGEL: — Mr. Speaker, my question has to do with the disturbing report that I saw in the *Leader-Post*, which suggests . . . The government maybe considers it a joke, but the *Leader-Post* is suggesting that this government has been fudging the numbers when it talks about its farm purchase program.

An article in the *Leader-Post*, reported by Tom Nunn quotes a government official as follows (of the claim from the minister there will be \$150 million in pay-offs under the program during the first three months of this operation) and I quote:

“It was clearly a political statement that is virtually impossible to meet if these forecasts are right,” the official said in an interview. “There’s no possible way that that many loans could be processed. They’re being optimistic for political reasons.

My question is: When will the government table the regulations of the farm purchase program plus an agreement that it has signed with farm credit corporation in this House, so that we and the public can see and judge for ourselves what the benefit of this program will be and to whom it will be?

HON. MR. BERNTSON: — Mr. Speaker, it has just completely escaped me what the question has to do with the preamble. I just don’t understand what the question has to do with the preamble. But the question was: when will I table the agreement signed with FarmStart, or I mean farm credit; and when will I table the regulations? The short answer is: in due course.

MR. ENGEL: — The minister says that he will table the regulations in due course. You are saying that we are supposed to pass apiece of legislation without knowing what the regulations are? An official . . .

MR. SPEAKER: — Order! Can we have order in the Chamber? The hon. member can’t make his question heard.

MR. ENGEL: — Mr. Speaker, thank you for calling them to order. I hope they listen.

The same article also quotes the government official as pointing out that the farm credit corporation couldn’t possibly process the number of applications which the minister had indicated in his statements to the Assembly. And if each loan is \$100,000 as the government projects, then FCC must process 1,500 mortgage applications in about three months, which is more than its total 1,300 loans processed all last year for Saskatchewan farmers. My question is: why did the Minister of Agriculture so obviously inflate the number of farmers who will benefit from this plan in his statement to this House? Was he afraid of the true direct comparison between the farm purchase plan and the land bank program?

HON. MR. BERNTSON: — Well, Mr. Speaker, quite frankly I’m embarrassed by our successes. If farm purchase, I mean, if farm credit had difficulty, which I doubt, processing the 1,500 loans that we project could come about in the remainder of this

fiscal year. I'm sorry. I predict that farm credit, with their efficient handling of the applications as they come in, will have no problem at all meeting the demands that we are talking about. They are staffing up. They have a very efficient operation, and we said that we would provide loan write-downs up to a maximum of loan capital of \$150 million in the remainder of this fiscal year. I hope that we do bump against the edge of those limitations. I really do because the more we get out, the more farmers we have helped.

SOME HON. MEMBERS: — Hear, hear!

MR. LINGENFELTER: — Supplementary to the Minister of Agriculture. I know there are a number of farmers who have dealt with the farm credit corporation over the past six months who are definitely not getting their loan applications processed what would be considered quickly. I think it is very obvious if you dump another 1,500 applicants, who he is saying are eligible, plus the other three or four or six or ten thousand who won't be eligible, who they'll have to deal with as well, that it just may need a few extra people in the farm credit corporation in staff.

I guess the question is whether or not any arrangement was made when this great design was planned to increase the number of people working for the farm credit corporation, or if you looked that far down the road.

HON. MR. BERNTSON: — Well, it may come as a surprise to the member opposite, but the farm credit corporation does have a shred of intelligence over there, and they have in fact staffed up to cover the increased load.

I might also point out to the hon. member that admittedly there is a backlog of applications at farm credit. There is a backlog simply because interest rates were higher, there was anticipation of lending rate changes within farm credit itself, and as I said earlier, I have confidence in their ability to deliver.

MR. LINGENFELTER: — Mr. Speaker, supplementary to the minister. If he is saying that farmers in rural Saskatchewan anticipated that the farm purchase program would be run and administered by the farm credit corporation, and they were rushing there over the past two months to get loan applications in, he's sadly mistaken. I can tell him that this program he has introduced is definitely lacking. I want to ask him: can he tell us now how many more people the farm credit corporation has brought into the system in Saskatchewan to take care of the backlog?

HON. MR. BERNTSON: — No I can't, Mr. Speaker. I can't speak for farm credit nor do I intend to speak for farm credit, but I will speak for this program. I think it's a good program and well accepted by the farming community of Saskatchewan. Mr. Speaker, I will stack farm credit and the farm purchase program up against your land bank program any day of the week, any day of the year, any time, anyplace, and if you don't like it, I suggest you vote against it.

SOME HON. MEMBERS: — Hear, hear!

MR. ENGEL: — I have two supplementary questions, Mr. Speaker. The first one, in light of the minister's answer that he just said now, is: are you serious that you'll stack up this program against the land bank program?

HON. MR. BERNTSON: — Yes.

MR. ENGEL: — Are you saying that you'll leave land bank in place for two months in parallel with this, stack it up against and let a farmer choose; that they can either choose land bank or this program? Is that what you said?

HON. MR. BERNTSON: — You're breaking new ground in lunacy. Of course I did not say that. There is a bill before this House called the farmer purchase legislation. There's another one called the land bank repeal ac. They are companion pieces of legislation and they will both be proceeded with in this House.

MR. LINGENFELTER: — Mr. Speaker, question to the Minister of Agriculture. There have been a large number of land bank lessees who have come to us with the concern that they have not received the new rates for land bank in the new year. A number of them are concerned because usually by this time of the year they know what they're going to be paying in rent. What I'd like to know is whether or not he has made up his mind or whether the government has made up its mind, as to what kind of increases land bank lessees are going to have to face?

HON. MR. BERNTSON: — Mr. Speaker, I'm not prepared to answer the question at this time. I will say that if you raise it in committee, I'll deal with it then.

MR. ENGEL: — Supplementary question to that. Are you anticipating changing the land bank rental rates because of the delay in sending out notices this fall?

HON. MR. BERNTSON: — No, and in fact the opposite is true. I have indicated, from the day that we started talking about this program, that I didn't anticipate any increase this year. However, there would be a mechanism put in place so that rates could be adjusted to reflect changes in the economic times.

MR. ENGEL: — Mr. Speaker, new question. The mechanism in land bank now is that the rates are adjusted according to their income level. Are you suggesting that your new plan is going to be something new and different than that?

HON. MR. BERNTSON: — Well, you read the legislation. It's been tabled from some time and . . . Are you waiting for the answer? What I'm saying is that there will be mechanism in place to adjust rates to reflect changes in the economy of the day, and we intend to proceed in that direction.

HON. MR. BLAKENEY: — Just a very quick question to the Minister of Agriculture. Does he propose to put the mechanism in the legislation so that we would all know it? It's the long-term leases that we're talking about going many, many years, and would the minister agree to put the mechanism in the legislation?

HON. MR. BERNTSON: — Well, as the Leader of the Opposition knows, and as most members opposite know, it is a little unusual to delve into these kinds of questions in question period when the bill is before the House. However, if you raised those questions during committee, I'd be prepared to deal with them.

WELCOME TO STUDENTS

HON. MR. LANE: — I would like to revert to the introduction of students, and I received a notice that not all of the students from Dr. A.E. Perry School are in the Speaker's

gallery. Mr. Carleton Wittner has joined us on the floor of the Assembly, and we welcome Mr. Wittner to this Assembly.

HON. MEMBERS: — Hear, hear!

ANNOUNCEMENTS

Change in Membership of the Board of Internal Economy

MR. SPEAKER: — I would like to read an announcement from His Honor. The announcement is dated today. It says:

Dear Mr. Speaker: Pursuant to section 68.7 of The Legislative Assembly and Executive Council Act, I hereby inform the Assembly of the following change in membership of the board of internal economy, effective December 2, 1982, placing the Hon. J.W.A. Garner on the board in the place of the Hon. D.G. Taylor. Yours sincerely, C. Irwin McIntosh, Lieutenant-Governor of Saskatchewan.

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Berntson that Bill No. 45 — **An Act to establish a Program to Facilitate Financing the Purchase of Farm Land** be now read a second time.

MR. ENGEL: — Mr. Speaker, before I adjourned debate on Monday, I pointed out that the level of funding eligible for assistance doesn't even come close to help a farmer get on his feet. The Minister of Agriculture said that he expects loans to average about \$100,000. That's barely a quarter of land in most places. Even if the young farmer would get the full \$350,000, that would only finance three quarters.

Who is going to get any help? The minister says that all loans will be made by the farm credit corporation. An application has to meet all of the FCC conditions first. Then FCC has to have some money on hand, which is not always the case. Only after all this has happened, the farmer has got his loan. The farmer has made his payment. Then he applies to the minister for rebate. If the minister thinks he is a good fellow, and if the minister happens to be in a generous mood, then at long last he will be the envy of all his neighbors and get an interest rebate so he can pay the interest on the money he had to borrow to make his payment.

There are only two groups of people, Mr. Speaker, that I can conceive might get involved in this program. The first group are the land bank lessees who are going to be forced to buy their land because the government is planning on jacking up their rents so high and making their lives miserable in other ways. The other groups will be the sons of some farmers who might buy out one quarter from father, with father having to put a good part of the rest of farm up for the security.

So let's suppose a young person gets a loan for \$350,000. Farm credit corporation will calculate that at 12 per cent interest, which is much lower than the rate of 15.75 per cent, and let's say the person's age qualifies so that he can get a full extended term of 29 years. His semi-annual instalments, Mr. Speaker, will be \$21,740.51 for 29 years. That, Mr. Speaker, comes to \$43,481 a year. Mr. Speaker, if you extend that for 29 years, do you know how much that's going to cost that farmer for \$350,000? For the endurance of the loan, for \$350,000, \$1,260,949.58. We're going to hang a debt on a farmer for \$1.26 million. That's the better part of a working lifetime spent in servitude and usury, Mr. Speaker.

I would think, Mr. Speaker, a good Tory would blush a great deal as he attempts to brag about this legislation. This is the farm legislation that the minister's bragging about.

Mr. Speaker, how much help will he get from the Saskatchewan government? On his first payment of \$21,740, the sum of \$21,000 will be interest; a total of \$740 will go on principal. He now, after the first six months, owes to FCC, \$349,259. He then applies to the minister for a rebate of \$7,000. He probably had to borrow the \$20,000 on his line of credit to make his first payment. At 1.5 per cent per month for the first six months, there is another \$1,800 in interest (if he's lucky). A good part of his \$7,000 rebate will be gone by the time he gets his first payment.

With wheat prices around \$4 (or a little more than \$4) a bushel (and quite a bit lower than that if you got hit by the frost), costs now are such that there is no way you can make money. Some estimates I have seen show that even with an 8 per cent interest rate, this, together with the present level of costs, would produce a \$7,000 loss over a five-year period. Once the interest rate goes higher, the losses will mount higher. At the present rate of interest, Mr. Speaker, losses will be in the neighborhood of \$100,000 over that 29-year period, hardly an attractive position for a young farmer, hardly something that we as legislators should lock farmers into over a long period of time. I see little prospect of help from this government to change that picture. They have taken a weak-kneed approach to grain transport rates, for example. My point, Mr. Speaker, is that we are doing the farm no favor by encouraging him to go into this loaning direction. But this government is so hidebound and blinded by their belief in their old-time free enterprise jingo philosophy that I don't know if we can do anything to change them before it's too late.

Saskatchewan farmers work too hard for their money to be spent on a wild goose chase or even to be lured by the siren songs of the demure Minister of Agriculture. It is difficult to understand why the Tories are so blind and so obsessed with their own particular brand of farm ownership. It seems they feel that owning that piece of land is first, second and last. It doesn't matter about anything else. Whether he can make a decent living and have some relief from the burden of debt doesn't seem to matter. Whether the farmer's wife and family are deprived of a reasonable standard of living doesn't enter their minds. On various occasions, the Premier and others of his colleagues have talked about the pioneers, who came here so they could own their own land, as part of the cornerstones of their philosophy. In case they haven't noticed, some things have changed. Some new ways of doing things have emerged. You don't have to be slavishly bound to the old ways. That doesn't mean we have to throw them out entirely.

Now I know something of what farm ownership is about. I was born and raised in Saskatchewan; I have lived my whole life here, and I own my own farm. I understand the feeling and satisfaction of owning my farm and managing it in the way I see fit. Many

Saskatchewan farmers feel that way. They should be allowed to develop their life in a way that enables them to contribute to their well-being and the well-being of their community and their family, their province and their nation.

But, Mr. Speaker, that is not the only way. That is not the only way, Mr. Speaker. There are other ways of doing things and putting things together. Let me illustrate.

This week I had a talk to a land bank lessee. He said, "I don't feel as if I was a tenant. I don't feel as though I was a sharecropper. I felt as if the land was mine. I felt a sense of responsibility for it. I felt close to it. The first time that I didn't feel as if I owned it, or the first time that I didn't feel as though it was mine, was this week after I heard what the Conservative government's new legislation was going to do to me. I was happy, I felt secure; but I don't feel secure now, and I'm not happy now."

And that has been destroyed, Mr. Speaker. This new legislation has destroyed that.

The point I am trying to make, Mr. Speaker, is that it is sheer, utter folly to make this one item such an important, such an overwhelming part of the total picture for agriculture. I don't object to helping with the farm purchases. I don't object to that at all, and I made that public. But I say to the government, don't fool yourselves, and worse still, don't fool the farmer and the public that this program is going to fill the bill and do wonders for Saskatchewan agriculture.

I have already indicated, Mr. Speaker, that I don't think this legislation would produce the results claimed for it. It is not a farm purchase plan. If it was, you would include improvements and homes, rather than excluding them specifically as you do in clause 1, part (c), which defines farmland as agricultural land in Saskatchewan, exclusive of any improvements that may be on the land.

It is not even a land purchase program. That job will be done by farm credit corporation. All this bill does is to pave the way for some interest rate rebates, after everything else is done. The bill is misnamed when it is referred to as The Farm Purchase Program Act. It would be better named as the farm mortgage with farm credit corporation interest rebate and temporary relief act, or the long title of the bill might more aptly describe it as an act to improve interest rebates for a temporary period to farmers who have been so fortunate or so unfortunate as to obtain mortgage funds from the Farm Credit Corporation of Canada. That should be the title of this bill, Mr. Speaker.

Speaking of farm credit corporation, Mr. Speaker, I was somewhat puzzled at the absence of reference to farm credit corporation in this bill. Not a word. I gather from the background information that the government considers the linkage with farm credit corporation a key part of their package, the mainstay of the package. If so, why is that not spelled out more adequately in this legislation? Why do we have a special clause that gives a blank cheque to enter into agreements elsewhere, when there is already provincial legislation, even referred to in clause 9 as The Federal-Provincial Agreements Act, which give necessary authority for such agreements, Mr. Speaker?

I presume there have been many discussions with farm credit corporation. I'm presuming that. I don't know whether that involved the meeting with the minister and federal ministers such as Hazen Argue or Eugene Whelan. If he did, I am sure he had no difficulty hitting it off with his brothers under the skin. Possibly it was only a meeting between officials. Possibly it was only with Anderson. In any case, I am sure there must be an agreement or a draft agreement; maybe even a memorandum of understanding

of something. Whatever it is, I think members of this House should have an opportunity of seeing it. We need to have an opportunity to study it. The wide-ranging powers granted under this act make it essential, Mr. Speaker, that we know some particulars of the agreement with FCC before the bill is passed by this House. If this bill is as important as the government claims, I would think they would want to do this sort of thing.

There are other particulars in this bill that required close examination. Really, Mr. Speaker, the government over there should feel thankful that we are prepared to help them in improving this legislation. As I said before, in spite of my reservations on this legislation, I wish it well. It's just that I don't think it will do what you claim and you don't have to destroy the land bank at the same time, as you are doing in another bill. WE also need to see draft regulations, Mr. Speaker, that are so critical to this bill. The bill is meaningless now unless we have the regulations. I hope the minister will table them today or tomorrow.

To summarize, Mr. Speaker, our concerns with this bill are the following:

1. It will not meet farmers' needs now or in the very near future. It will not get young farmers back on the farm, contrary to what the minister is bragging it will do.
2. It gives the minister sweeping powers which are far beyond reasonable requirements.
3. The bill does not spell out enough of the framework of the program. It leaves everything to the minister's discretion or to regulations.
4. The bill is piggy-backed on farm credit corporation which meets only part of farm credit needs.
5. It will result in further increases in land prices.
6. It encourages unmanageable debt burdens for farmers.

Mr. Speaker, I hope for the sake of the future of Saskatchewan agriculture, the government will take a strong look at this legislation, as well as legislation on the order paper and that they will change their disastrous course they are now charting.

So before I take my seat I would like to move a motion, Mr. Speaker, that the motion be amended by deleting all the words after the word "That," and the following substituted therefore:

Bill No. 45 be not now read a second time, but that the subject matter thereof be referred to the standing committee on agriculture in order that representation s can be received by interested organizations and individuals.

I so move, seconded by the members for Quill Lakes.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. ANDREW: — My view, and I stand to be corrected, is that on second reading the only amendment that could be raised would be what is traditionally referred to as the six-month hoist: that it be not read now but be red six months hence. Can that

amendment move the matter to a committee at this stage, or does it have to be at first reading or at the committee of the whole stage?

MR. SPEAKER: — I refer the hon. members to Beauchesne's, section 740, point 3. There are actually three areas where an amendment can be considered in second reading. The first one is the six-month hoist. The second one is a reasoned amendment and the third one is the referral of subject matter to a committee.

HON. MR. BLAKENEY: — Point of information. Is the debate proceeding on the amendment of on the amendment and the motion? Thus, if I speak, am I precluding my right to speak on the bill or am I speaking to the narrow issue of the amendment?

MR. SPEAKER: — The practice in this Assembly has been that the amendment and motion would be dealt with concurrently.

MR. KOSKIE: — Thank you, Mr. Speaker. Mr. Speaker, the other evening, the Minister of Agriculture, speaking to the second reading of this bill, used many adjectives to describe this bill. As I recall, he indicated that it was probably the finest piece of legislation put before the legislature. He indicated in his words (or implied, at least) that it was a sort of new idea, a novel idea, and that it would help so many young farmers get established in farming.

First of all, I would like to analyze the perception of the bill as presented by the minister. He said on page 1351:

It is simply one of the finest forward looking pieces of agricultural legislation ever presented in this legislature.

I want to say, Mr. Speaker, that if one looks around Canada, as my colleague indicated the other day, we will find a program in place in Quebec, a program in place in New Brunswick, a program similar in Nova Scotia. What is more, Mr. Speaker, this program is indeed only an extension of the farm credit corporation program.

Moreover, Mr. Speaker, the record also will show that Saskatchewan, in the past, has had individual acts assisting the ownership of farmland.

I want to say that this attempt is not new or unique. Different version of this program have been tried previously. The only thing new or novel with respect to this bill being introduced in this legislature is that it's being introduced by a Tory government — introduced in the legislature by a Tory government, the first piece of legislation ever introduced for over 50 years.

Mr. Speaker, I think that someone should ask why this bill is necessary at this time. I think that when we look at the agricultural scene today we see dark clouds on the horizon. I look at a report here:

Farm outlook bleak. Net farm income (what the farmer has after he has paid his bills) fell more than 15 per cent this year to about \$3.8 billion. It is expected to be \$3.7 billion in 1983. In 1980 it was \$3.4 billion and in 1981 \$4.3 billion.

What I am seeing here is that if we look at the agricultural scene in Saskatchewan and in Canada, we find that there are two overriding problems confronting the agricultural

community. The first is the high, escalating rates of interest that the farmers have to pay with respect to operating costs and also with respect to other costs for the borrower.

The second overriding factor is the increasing cost of production for farmers selling their produce on a competitive world market.

I want to say that I whole-heartedly support any worthwhile program which will assist our farmers. I want to make it perfectly clear that any worthwhile program to assist our farmers I wholeheartedly agree with. But I want to say, Mr. Speaker, that while this program will be of some assistance to the farmers — obviously some will be receiving some assistance in respect to this . . .

AN HON. MEMBER: — Mr. Speaker, on a point of order.

MR. SPEAKER: — What is your point of order?

MR. KATZMAN: — On a point of order. I believe, Mr. Speaker, that the member has spoken on this debate, and therefore he must only speak on the amendment which was moved by the member and nothing else.

MR. SPEAKER: — I must advise the hon. member that this is the member for Quill Lakes' first opportunity to speak on this particular bill.

MR. KOSKIE: — Thank you, Mr. Speaker. As I was saying, Mr. Speaker, when I was interrupted by an improper point of order . . . If he had been paying attention . . . I want to say, Mr. Speaker, that while the program will be of some assistance to the farming community, I think that as legislators, as people representing the farming community, it's incumbent upon us also to look at the overriding problems facing the farming community.

Mr. Speaker, the government opposite waves this bill as a cure-all. Mr. Speaker, where are they when we are condemning the high rates that are instituted by the federal government and supported by the federal Tory party and by the Bank of Canada? Where are they, I ask, when we are discussing the increasing costs which will be confronting the farmers in respect to transportation? I want to say that we have no support in respect to that issue either.

I want to say, Mr. Speaker, in respect to interest rates, once can understand that when we raise the question of interest rates and adopting a policy of curtailing the high interest rates across the board, so all segments of our economy can benefit. I want to say that there's an absence of support from the Liberal government in Ottawa. I want to submit that the federal Tories are in support of the Liberal program of high interest rates. I want to say that moreover the Tory party has certainly supported the economic conditions of Ronald Reagan in the United States.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — I say, Mr. Speaker, Ronald Reagan, the President of the United States initiated the high interest policy which has affected all of the world, and indeed, Canada has followed suit.

I want to say that when we come to the whole question of the crop rate and the cost of transportation, little has been said in this legislature since the government has been

elected. A lot was said before they were elected. But again, Mr. Speaker, I submit that the farmers of western Canada, indeed, Saskatchewan will not receive very much assistance from this Tory government now that they're in office. Because one has to look at their platitudes and their actions. And very little action has taken place since their election. That's understandable. Because who are their friends? The friends of the CPR . . . (inaudible interjection) . . . Certainly they are. Donations to the old-line parties have been consistent.

I want to say that if we take a look at this bill, if we analyze here as in the question period what the Minister of Agriculture has indicated as the extent of help that will be forthcoming. He says, "Let me give you some different figures. In the first three months of operation we would expect about 1,500 applications for the mortgage rebate under our farm ownership program." 1,500. Now, as my colleague pointed out in question period, "Government official says farm purchase plan figures grossly inflated."

Well, this is an official working for the Government of Saskatchewan. He didn't identify himself, because he didn't know what would happen to him. But certainly, Mr. Speaker, here is an employee that felt obligated to come clean with the people of Saskatchewan. Someone has to come clean.

I want to say that if you read the words very carefully, he says this is going to be helping so many in the first three months. He says he expects about 1,500 applicants; he doesn't say processed applications. That's right, there's quite a difference. What he has done is try to build up in the public's mind that here, immediately, 1,500 people are going to be processed in the first three months. I want to say that undoubtedly there will never be 1,500 applicants processed. It'll be like their mortgage rebate interest program. They were six months behind schedule. People are still waiting who submitted their applications in July.

Mr. Speaker, I want to turn next to this bill. I want the backbenchers, those that haven't read it, to take a look at this bill. Secondly, if you need some assistance in the interpretation we'll provide it for you, because obviously you're not getting it from your caucus.

I want to say, first of all, if one looks at this bill, it is barren of any substance. Nowhere in the bill does it establish the guidelines. Nowhere in the legislation does it establish the amount of rebates. Nowhere does it establish the criteria for qualifying. If the members would take a look at section 3(1), which says:

Where a bona fide farmer intends to purchase land and meets the prescribed qualifications, he is eligible for an interest rebate to reimburse him for a portion of the interest payable to him on money borrowed to purchase that farm land.

Now I want to say that if you read section 2, the definitions section, do you know what that section 3(1) which I just read amounts to? It amounts to this. Subsection 3(1) is the general language authorizing the program. Essentially this section means that a farmer (as defined by the regulations) who meets the qualifications (as defined by the regulations) is eligible for an interest rebate (as defined by the regulations) for a portion of the interest cost (the portion being defined in the regulations) on money borrowed to purchase that farmland; and according to the announcement of a definition of money borrowed, it would be defined to mean money borrowed from the farm credit

corporation. That's how clearly this bill sets out the program. And I want to say, Mr. Speaker, there are several reasons that come to mind why the minister has drafted the legislation as he has.

Let us just consider a few of the reasons why he has drafted this legislation in a way which is unfitting for this legislature. First of all, I say the minister has not clearly thought out the program and therefore he needs to do everything by regulation. He really hasn't thought it out, so he leaves it wide open so that he can amend anything as it works down the chute. Now that's a very good presumption to make: that they haven't thought out the program.

A second possible reason for this type of bill is that he wants to put as little in the act as possible and accordingly evade the possibility of having to come back to this legislature to amend that act (and as a consequence face the opposition and have the publicity that is associated with the press present looking at the views that the opposition or the members that the opposition or the members may take in respect to an amendment). SO one, he doesn't know, hasn't thought through his program; and secondly, he is trying to evade the legislature so that he doesn't have to come before the legislature and have a public debate.

But I think there is also a third reason that we could maybe consider as to why we have this type of legislation. I think it's arrogance — arrogance of this government. They believe that their mandate gives them the right to circumvent public discussion.

They have been talking and preaching and saying to us, on such things as the white paper on The Vehicles Act, that they are going to the people. But we have seen their actions are not consistent, because here was an opportunity to have a communication with the farmers and the agricultural groups to help to analyze, to work out a program. And I want to say that what has happened here is that this government because of their so-called mandate in April — it has gone straight to their head, Mr. Speaker — believe that they can circumvent the legislature in respect to a meaningful discussion of a program which they said is the highlight of this legislative session, and circumvent public discussion.

I don't know how the press of the public or the opposition can evaluate a program when all we have before us is a skeleton piece of legislation. There is absolutely not way that an intelligent debate can be carried on without the framework of those regulations, or at least the framework within the act. You cannot discuss it on an intelligent basis.

I want to say, Mr. Speaker, that in this legislation so many question arise as to who will qualify, and the only thing that we have . . . we have nothing in the act as to the guidelines. WE have nothing as to the amount they will pay. We have no regulations given to the public or to the legislature, none of that. All we have is the minister going out having a press conference, and saying, "This is what the program is going to do." But it seems to me that the proper place to make that statement is in presenting with his bill the regulations or including them in the legislation itself.

I want to say that we can take a look at the bill itself. As I have said, they have a definition here of bona fide farmer. Do you know what a bona fide farmer means? I'm going to tell some of the farmers what a bona fide farmer is. Do you know what a bona fide farmer is? It means a bona fide farmer as defined in regulations. Now you should be very clear whether or not this offer is going to help you.

Interest rebate under this program means an interest rebate described in subsection 3(1). Where a bona fide farmer (and he's defined in regulations) intends to purchase farmland and meets the prescribed qualifications, he is eligible for an interest rebate to reimburse him for a portion of the interest payable by him on money borrowed to purchase that farmland. I want to say that reading this act, no one can possibly come to a conclusion as to what the framework of this legislation does or attempts to do. I can take a look at a number of the other sections. In respect to the section 5(1), it gives power to the minister here:

The minister may required an applicant or a participant to forward to him or make available to persons authorized by him any records or extracts of records at any time and place and in any manners that the minister considers appropriate.

It doesn't say documents relating to the qualifications of the loan. It leaves it wide open. And I want to say that we go down to section 6(1) and if you look at section 6, there it indicates that where an overpayment to a participant results, then the overpayment becomes a debt due to Her Majesty in right of Saskatchewan and may be recovered. Now they take extraordinary powers here because they can do two things if there's an overpayment. They can deduct it from subsequent rebate payments. Or secondly, they can, just by filing a certificate of the minister certifying the amount of overpayments, file with the Court of Queen Bench at any judicial centre and that certificate then becomes a judgment against the individual farmer. There's no right to challenge. There's no provision for appeal. There is absolutely no right provided within that section — absolute power taken onto the minister.

And I want to say then, if we go down to section 8 and section 10 of the bill and take a look at those sections, you will see also extraordinary powers taken on by the minister in charge of the particular legislation. I want to say that in respect to the use of government funds in so far as funds for this program, they say they can go to the consolidate fund. They say they can go to the heritage fund. They say they can take the money which accumulates out of the former farm land bank program.

But then if you look at it, you will find that what they do is they say that the treasury board will make regulations respecting the accounting of the funds and any and all other matters concerning the finances. But then it says the provincial auditor or any other auditor that may be designated by the Lieutenant-Governor shall annually audit the records. And I want to say that consolidated funds have always been audited by the provincial auditor. And what I'm saying here is that what they are doing is making an essential department. They are saying that the funds from the consolidated funds can, in fact, be audited by other than the provincial auditor.

And secondly, with respect to section 10, it says:

Notwithstanding the heritage fund act, sums required for the purposes of paying interest rebates may be paid, subject to any prescribed terms and conditions, out of the Saskatchewan Heritage Fund.

I want to say that we have a Saskatchewan heritage, and it prescribes, and it was approved in this legislature, how the expenditures shall be made out of the heritage fund. Do you know what the Minister of Agriculture has done? He has, in essence, overstepped the power within the heritage act, which designates the way in which expenditures can be made, because he says: notwithstanding what's in the heritage

act, sums required for the purposes of paying interest rates may be paid, subject to the prescribed terms and conditions, out of the Saskatchewan Heritage Fund.

So I want to say, here you will see, Mr. Speaker, that with respect to funds, there are no limitations. They have created basic irregularities with respect to the handling of the heritage fund. They have created a basic irregularity with respect to the consolidated funds. And I want to say, if that is not of concern to the members opposite, I want to say that it is a concern for the members here in opposition. I think that it would be of concern to the people of Saskatchewan, the powers that the minister is taking on himself with respect to the funding aspect.

So I want to say, if we go to section 12, Mr. Speaker, that this is the all-powerful section. Here is the power of the minister for the purpose of carrying out this act. The Lieutenant-Governor in Council may make regulations, and boy, can they make regulations.

They have definitions in this act and then they say, first of all, what can they do — defining, enlarging or restricting the meaning of any words or expression used in the act. So obviously what that means, any word used in the act, any interpretation that you can put on the act, don't put it on because they can change anything in respect to regulations.

I want not to go through all of these, I want to go through section (d) which says:

prescribing the terms and conditions to which interest rebate payments are subject.

Prescribing the terms and conditions to which rebate payments are subject. Now, as I say, here the people of Saskatchewan, the farmers of Saskatchewan for whom this program was designed presumably to help, do not have, prior to the development of regulations, any idea as to the terms or the conditions to which the rebate payments are subject.

I want to say then that this bill says really, Mr. Speaker, to this legislature, to the people of Saskatchewan, to those who would be interested in knowing what's in it, it either says we know best, don't worry; or trust me. That's what they are saying, because they certainly haven't sent it out in their bill.

I want to say, Mr. Speaker, that history will record that this system does not work. It didn't work when the kings of England ruled by divine right. It didn't work in Germany when Adolph Hitler . . .

AN HON. MEMBER: — Do you remember those days?

MR. KOSKIE: — That's right. When Adolph Hitler asked the people to trust him. Mr. Speaker, I want to warn the people of Saskatchewan that this government wishes really to rule by divine right.

I want to say in conclusion, Mr. Speaker, that this government said it would take government off the backs of the people; it would consult with people. But I want to say that, Mr. Speaker, when I have listened to the speeches from the members opposite, I have heard them lambaste the land bank. I have heard them repeat that this is the finest

bill, without knowing what's in it, or what is not. And, I want to say that I have listened carefully, and I would have thought that what they would have gotten up to say is this: here is our program, we have clearly set it out in legislation. Here is our program, we have consulted with the Palliser Wheat Growers, we have consulted with the farmers' union, we have consulted with the federation of agriculture, we have consulted with all the farm groups, and here is the consensus. And we will bring before you here letters of approval, of agreement.

I would have thought that in decency, if he is the Minister of Agriculture, he would have perhaps met with some 2,700 land bank lessees, or representatives of them in order to indicate clearly and concisely what his intentions are. But sad to say, Mr. Speaker, not one member from the opposite side stood up and indicated what communication they had with the various agricultural groups, the young farmers, and the agricultural representatives.

And, I want to say, I suspect that they met with their banker friend, because their mortgage interest rebate program . . . I'm sure they met with the president or vice-president of the Royal Bank on that one. And, I suppose that, since he is one of you, and you are one of him, in the same club, that you probably consulted with the bankers. And I think that what is very clear here, to all . . . Because I would like a member here to enter this debate.

In fact, the Minister of Agriculture, I would have thought, on the pledge they gave to the people of this province, would have led off his speech saying, "I have met with every group of the agricultural community that is possible, and I will file for the records of this legislature my commitment to discuss with people letters indicating their basic approval." But I want to say, Mr. Speaker, not one member was able to stand up in this House and indicate that they met with the farmers' union prior to the development of this bill; that they met with the farm land bank lessees. I doubt very much if they had. I would have thought that they would have been proud to come forward with that. I guess what they did is this: they went and they consulted with their Ottawa cousins, the Liberal Party, and they agreed to set it up under the auspices and administration of the farm credit corporation. So I guess they did some consulting with their Ottawa cousins.

Now, Mr. Speaker, when I look at this bill, I want to say that I am disappointed in the Minister of Agriculture. I thought that he would allow an opportunity for this bill to be discussed. He sat around for seven months, then he came into this legislature without apparent consultation, and he wants it passed without any complaints from the opposition.

I want to say that it is usual in any legislation — that's the basis of having a legislature — to put the framework of the program within the legislation, for two purposes. Firstly, so that people can look at the bill, discuss it intelligently, and evaluate it; and secondly, it's also a protection to the people who you represent. If you're going to change it, you have to come back to the legislature in order to get the changes. And public debate takes place.

So I want to say again, Mr. Speaker, that I am disappointed in the arrogance, in the lack of communication of this government with the people. I know it has been said that the best business strategist in the world is powerless without good information. Mr. Speaker, in respect to this bill, we are powerless to evaluate it because we don't have the framework of the minister's program. I want to say, not only are we powerless, but all of the agricultural people, who I know are looking forward to an introduction of a bill,

certainly have the right to have some input into the framing of it, to make some suggestions that they undoubtedly would want to make.

Mr. Speaker, there is a considerable a lot more than I want to say in this bill from another standpoint. What I would like to do is to beg leave to adjourn debate.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I declare the debate continues.

MR. KOSKIE: — Then obviously, Mr. Speaker, I'll conclude my remarks. I had wanted to do analysis of this skeleton piece of legislation which he said is the finest piece of legislation put in this legislation. I wanted . . . (inaudible interjection) . . . Just a minute. I want to analyse it with other legislation of importance to the people of this province and to detail how this bill lacks any substance.

Two things. The member for Assiniboia-Gravelbourg has moved a motion to transfer the bill to select standing committee on agriculture. Here would be an opportunity to review it, to clarify the bill, to put some substance into it and also provide an opportunity for the agricultural community to have a look at it. I suspect that in their arrogance, not only will they not allow the adjournment of the debate, they will not go along with that motion by the member for Assiniboia-Gravelbourg.

I want to conclude. I know the remarks which I made will be of considerable interest to many of the people who are shocked at the shortcomings of this legislation.

Amendment negatived on the following recorded division.

Yeas — 7

Blakeney
Thompson
Engel

Lingenfelter
Koskie

Lusney
Shillington

Nays — 45

Muller
Birkbeck
Taylor
Andrew
Berntson
Thatcher
Pickering
Sandberg
McLaren
Garner
Klein
Katzman
Currie
Duncan

Smith (Swift Current)
Boutin
Hampton
Weiman
Bacon
Tusa
Hodgins
Sutor
Sveinson
Sauder
Petersen
Glauser
Meagher
Schmidt

Smith (Moose Jaw South)
Martens
Rybchuk
Caswell
Young
Gerich
Domotor
Maxwell
Embury
Dirks
Hepworth
Folk
Myers
Zazelenchuk

Schoenhals

Parker

Johnson

HON. MR. BLAKENEY: — Mr. Speaker, I want to talk about the bill, and I want to talk about it from really quite a narrow perspective.

AN HON. MEMBER: — It's a very narrow bill.

HON. MR. BLAKENEY: — The members opposite may not be interested in the contents of the bill from the point of view which I want to highlight, but none the less, I think that some members of the public will be.

Mr. Speaker, I want to give hon. members now the information that in so far as they wish to participate in the debate from their seats I will give way and I will offer the hon. member for Thunder Creek an opportunity to interject at this point. And I will make a practice of that, and if that is the desire of members opposite, far be it from me to attempt to thwart them in their desire to participate in this debate, but not on their feet.

AN HON. MEMBER: — They're not allowed to stand up and speak.

HON. MR. BLAKENEY: — That's right. One understands the restrictions which are being imposed by the government opposite on freedom of speech, and I understand, therefore, why members opposite would not wish to stand up and say something on the record. And I understand, therefore, why they so frequently interject their views but do not wish to have them on the record. It is clearly dangerous to speak in forums like city councils and legislatures where you're likely to be recorded.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. BLAKENEY: — I well understand that and will attempt to accommodate it. Now we have the member for Saskatoon Centre and I will attempt to accommodate him. His remark was, "Can't take it, eh?" And I find that incisive and witty.

MR. SPEAKER: — Order. I believe the debate is to be on Bill No. 45, and I haven't heard the hon. member even touch the bill yet. Would you get down to the subject?

HON. MR. BLAKENEY: — I have every intention of touching the bill. I simply wanted to advise all hon. members that I wished to assert the position that I would like to make my remarks from my place in the House when they are on the record, and that was the purpose of my comment.

I propose to deal, Mr. Speaker, and I propose to deal basically with its contents as they would affect a person as a citizen as opposed to a farmer. All farmers are citizens, and they're very valuable citizens of our province. And I ask all hon. members to consider what they think should be in a bill which is presented to this legislature on a matter such as a loan program. And I suggest that the bill should provide in general terms who is government by the bill, what benefits are conferred by the bill, what obligations are imposed by the bill, and also I suggest, what obligations in a general way are imposed upon the public purse. Those are the sorts of things we should be able to look at a bill and find out about. I readily admit that variations on the basic

theme can be brought about by regulation, and have in this Chamber traditionally been brought about by regulation, but the underlying theme should be set out in the act.

I ask all hon. members to look at this bill and see whether they can find the underlying theme in this act. I think you cannot. I challenge anyone who believes they can to stand up and refer to the act and find out what they think the rights of the citizens are, and what they think the obligations of the citizens are, and what they think the claims on the public purse are. I think they'll not find them. They'll not find them.

With respect to citizens' rights of privacy and freedom from government interference. I suggest that what bills in this legislature ought to provide for is that citizens should be interfered with to the minimum extent necessary. That ought to be what the bill provides. There ought to be ready use and frequent use of "reasonable" and "necessary" and words like that which limit the powers which the government takes to acquire information or to impose obligations.

I say that this isn't in this bill. The powers are the most sweeping and unnecessary kind. No, I think, can deny that the powers are: (a) sweeping, and (b) unnecessary. There is not a shred of justification for many of the powers given by this bill or the obligations imposed by this bill.

Now, let's look at the bill. Let's look first at section 2. I'll go through it one by one. Section 2 provides a definition of a bona fide farmer. It does not provide a definition of a bona fide farmer; it is clear that the bill is to be available to people who the cabinet says it's available to, and this legislature is not to have any say in it — not any. We are not in any way trying to this legislature to say who should benefit from this bill. I readily admit again that it is customary to expand definitions that are in legislation, but I know of no case where the definition of farm or farmer was left entirely to the regulations.

This is not, of course, the first loan bill that we have had for farmers. We have had The Agricultural Incentives Act; that's the FarmStart legislation. It has a very extensive definition of farmer in it. True, it says that even that extensive definition can be expanded by regulation, but cannot be limited by regulation. So, we as a legislature, when that bill was passed, said, "Now here's what we think farmers are. We may have missed someone and we'll give the Lieutenant-Governor in Council power to expand the definition. But we won't give him power to say, 'No, we as the Lieutenant-Governor in Council don't think you're a farmer, so you're out.'" We don't do that, nor should we.

This, as I say, is not the first bill we've had in this legislature to grant farm loans. I was certainly not around when the first one was. I just remember there used to be an old Saskatchewan farm loan board and I have no idea when the legislation was passed.

AN HON. MEMBER: — In '29.

HON. MR. BLAKENEY: — The suggestion is that it was passed in 1929. Frankly, I haven't looked that up but I know some members have, and they will contribute to this debate indicating what the definition of farmer or farming was in that.

I refer hon. members to another piece of legislation passed in 1959. It was called The Family Farm Credit Act. It was a loan program for farmers, and there have been a lot of them, all of them thought to be outstanding programs. You might be interested in this one because you might be interested in the provisions of it for the purpose of the act.

The purpose of the act was:

to make long term credit available to farmers to assist in the establishment and development of family farms as economic farm units and in the transfer of family farms from members of one generation to members of a later generation and to assist in the enlargement or conversion of family farms that are uneconomic farm units into economic farm units.

That's in 1959. It sounds very much like what our purposes are today. It's very similar. So, we shouldn't think that this is the first time we've had a try at this in Saskatchewan.

The point I want to make, Mr. Deputy Speaker, is that this one indeed has a definition of farmer and of farming. You may quarrel with these definitions, but an attempt was made by the legislature of that day to say who was entitled to the legislation. The member for Bengough-Milestone at one point suggested that someone ought to say what a bona fide farmer was. Well, here's an attempt by the legislators of that day in 1959.

None of us was here then; none the less this is what it said:

“farmer means a person whose principal occupation is farming or whose principal occupation will be farming if granted a loan.

Now, if that is a perfectly good definition, why not put it into the act? That is the full definition of farmer here.

“farming” includes the tillage of the soil, stock raising, operating a dairy and poultry raising.

My point here is that the clear intent here was to say that the money should go to people who were full-time farmers, or whose principal occupation was farming. But clearly, the government opposite wishes to leave itself the opportunity to make loans to people who may be professional people who have some farming, some farmland, people who are accountants or people who are veterinarians or people who are otherwise occupied but who are also farmers.

I think we ought to decide that as a legislature, not as a cabinet. I think we ought to decide whether these very substantial sums of money, which are being used to subsidize the purchase of farmland, are to flow to people who are primarily farmers or to people who are not primarily farmers. I think this one is left to the cabinet to decide. It seems to me it ought to be left to the cabinet to decide, but that this legislature ought to have a view on that matter.

But we do not have a view and we will never know from this bill. We will never know. Bona fide farmer means a bona fide farmer as defined in the regulations. It could be a person who has never farmed and has never any intention of farming. That is reasonably unlikely, but a number of things which I thought were unlikely have already happened with the current government, and therefore, I think it's only fair and reasonable that the legislature be given an opportunity to define, even if in general terms, what sort of person we are talking about as the likely recipient of the assistance, and this is not done. And when we ask the minister for the regulations he will not give them to us. He says, “In due course.” He says, “You vote on this bill before you know who are going to get the benefits from it.” And when any attempt is made to refer it to a

committee that attempt is rebuffed by members opposite.

And at a committee, and I'm not going to get into a discussion of this, we could have found out some of these things. But we're not finding them out here. Mr. Deputy Speaker, we simply will not know who is to benefit from this bill when we are asked to vote on the bill, and we will not have the slightest, not even the slightest idea.

Others will look up definitions in the land bank, and you will find there a definition of farming . . . (inaudible interjection) . . . Mr. Deputy Speaker, I think if any hon. members know any legislation which has this type of a definition section where the beneficiaries are to be selected by the cabinet — people who are to get 30, 40, \$50,000 in benefits over a period of 10 years, and these are to be selected by the cabinet without any definition whatever — if anyone knows any precedent for that in this legislature, then I wish they would stand up. I wish they would say what legislation they are talking about. I wish they would indicate just what the bill is so that we can then analyse it and see whether their view of the matter is right or wrong.

The Land Bank Act, as the member obviously will know, has a definition of farming in it, and you have to be an individual pursuing farming in order to get the money. I have just looked up the definition of farming in The Land Bank Act and you members opposite can find the definition there. Can they find any definition in this act of farm, farming, or farmer? They will get one of farmland which goes so far as to say that it's agricultural land. Well, bully. But there is not any indication. It is true that you have to buy agricultural land. But you can, under this act, be a person like myself who has never had any connection, direct connection, with farming in Saskatchewan.

If I were fortunate enough to be in the good graces of the cabinet opposite, they would have no difficulty under this bill to declare that if I bought a half-section of farmland that I would have every right to get the subsidy, and there is nothing in this bill which in any way restricts that — not any, not any. If any hon. member believes that it's in here, I wish, when he or she participates, he would point out where the limitation is.

So that's the first thing that I think the bill should contain. I think the bill should contain some definition of the people who are supposed to get this benefit from it. That's what I believe; I'm sorry that hon. members opposite don't believe that, but I think it should be there.

Now, let's move on next to the qualifications, and here we have to go to section 3(1) which is the guts of the bill.

Where a bona fide farmer, as the cabinet shall select, intends to purchase farmlands and meets the qualifications laid down by the cabinet, he is eligible for an interest rebate as selected by the cabinet for as many years as the cabinet shall decide, or months, and at any rates the cabinet shall decide for a portion of the interest payable by him on money borrowed to purchase the land.

Now, that's what the bill says. I think we all agree that the cabinet should have power to vary the qualifications, but I think the bill should give some ideas of what this legislature intends so that people later, in asserting that they were misled (if they believe they are), can look back on the bill and say: this is what the legislature intended. Citizens should have the right to go to court sometimes, and if they go to court they should have some way of being able to say: this is what the legislature intended; look at the bill and you will have some rough idea of what the legislature intended.

True, the legislature meant to give the cabinet power to vary, but not power to write the statute. And I don't know how many persons who support the Progressive Conservative Party, I have heard in the past suggest that the power of regulation is being used all too frequently. I've heard it many, many times from members opposite, but from people generally of the persuasion of the Progressive Conservative Party and of our party as well, the suggestion that we ought to put as much as we reasonably can in legislation, and leave as little as we reasonably can to regulation. How many times has that been said, and to what extent is it buried in this bill? I, frankly, have not seen a bill which is leaving so much of its basic intent to regulations and has so little of its basic intent in the bill itself.

Well, let's move on to the next absolutely gut issue in this bill. The gut issue is the interest rebate. That is the gut issue. You're asking a farmer, young or old, I won't even say a farmer, because it's a citizen — I guess he doesn't have to be a citizen — an individual, you're asking an individual who may or may not be a farmer and may or may not be a citizen and may or may not be a resident of Saskatchewan, because there's no suggestion of that . . . Bona Fide farmers can be in Palm Springs, so far as I can see from this legislation.

Coming back to this issue of the interest rebate, what should be in there? Here is an individual who is going to go out and stake his life savings on buying farmland. And he is going to stake his life savings on the basis that he will have to pay 8 per cent interest for five years, and 12 per cent interest thereafter. Now that's what he is being invited to do by the Minister of Agriculture and by all members opposite.

No one quarrels with their invitation to have young people or old purchase farmland with the purpose of creating another viable farm, in the knowledge that at least for 10 years they will have some interest protection. I understand what they're saying. But I suggest that the minimum they owe to the people who are taking that risk is to put in the legislation what the protection will be, to say in the legislation that, what I will call for the sake of brevity, the net interest rate will be not more than 8 per cent for five years and not more than 12 per cent for the next five years.

True, there's nothing wrong with giving the cabinet powers to lower those figures. That can't hurt the citizen in any effective way. But to suggest that whether or not the protection is for 10 years or two weeks should be up to the cabinet to decide, and whether the protection is at 8 per cent or 18 per cent or 12 per cent or 22 per cent is up to the cabinet to decide, is really not good legislation.

The young person, the person who goes out and buys that land and stakes his life savings on it should have some other and stronger basis than regulations which can be changed by the cabinet at any time, without any suggestion that if they do they're going back on what the legislature decided. Because this legislature, if they pass this bill, is not deciding anything. We're not deciding that we like 8 per cent and 12 per cent because there's not a word to suggest that we have even turned our minds to the interest rate. There is not a word to suggest that anybody has any protection for any period of time at any interest rate. And it should be there.

No one objects to the cabinet suggesting that they would need flexibility. But we do say that if a person stakes his life savings it should be on something which is at least in legislation, so that the legislature has said, "This is what we have in mind."

Let's turn our minds to other aspects of this bill. Let's move to section 4. I am now turning my attention to section 4 of this bill, and I am going to read section 4 because I suspect some others haven't.

An application shall apply for an interest rebate on the form provided by minister (surely no one can object to that reasonably) and shall provide any information required by the minister.

And I think we have every reason to object to that: no information with respect to his farming operations; no information with respect to anything that could possibly be relevant to his loan application; but any information asked for by the minister. Why do you want to ask how his family have voted in the last five years? Why do you want the power to do that? Why don't you adopt language which has been used in many other pieces of legislation, and once again I refer you to the family farm credit act of 1959 which had no difficulty so far as I am aware with that aspect of the matter; with what information could be asked for. And it went:

Every borrower shall keep records showing the financial conditions of his farming enterprise and the company . . .

In this case that would be the farm credit corporation.

. . . shall have the right to examine such records.

Fair game. Now:

If the borrower makes default in payment of any sum due in respect of his loan he shall furnish the company with such information respecting his operations as may be requested by the company.

This is a wide power, but it allows any information requested by the farm credit corporation only, one, if he is in default, and, two, respecting his operations. Nothing respecting his marital condition or the activities of his son or daughter. Now there is no reason why we couldn't with fairly simple language say that he shall provide any information relevant to his loan, or relevant to his loan application. But this hasn't been done. It has left with the cabinet the power to ask for any information. Why not say any information reasonably required by the farm credit corporation? Perfectly sensible. But why, "any information"? And if there is nothing sinister about this, why have you not adopted language which has been used so frequently in the past? But we have a bill here which asks for total powers.

I want to take you on now to section 5:

The minister may require an applicant or a participant to forward to him or make available to persons authorized by him any records or extracts of records at any time and place and in any manner that the minister considers appropriate.

Please not this. First number 4 — if a judge looked at it and said, "I want to restrict that. I don't think any legislature should ever have passed that," he might say that the

information that is requested can only be requested at the time of the application. I don't think that's a fair reading but you might get that out of it. But this one does not say that at all. "At any time and place, and in any manner thou shalt deliver up copies of your income tax forms. Thou shalt deliver up copies of any other information asked by the minister." Now you don't need that kind of power. You don't need that kind of power to operate a loan program. All you need to do is say: "Thou shalt deliver up copies of information relevant to your farming operations, or thou shalt deliver up information relevant to your financial condition." But not all information. That is totally unreasonable, and if members opposite were in the opposition they would be the first to say it was totally unreasonable, because they know it's totally unreasonable.

Note carefully that this must be delivered at any time and at any place. That is really not necessary either. You'll find all sorts of legislation which says "at all reasonable times" so as not to give any color of right to ask for information delivered up at somebody's house at 3 a.m. or that sort of thing. We don't need legislation which even permits that. And, many, many very simple bits of language have been found that guard against the abuse of power.

And note, this is to make available to person authorized by him. It isn't that you can bundle this stuff off to the minister. You have to give it to anyone authorized by him. And once again, some chap comes to your house and he produces some letter saying it's signed by the minister, "Please, to see any record in your house, I am here now." That's not reasonable, not reasonable even to say that a person can examine records in anybody's house, at any time or any place. That's not reasonable and is not needed.

Now we go on to section 6 because it carries on. I think we had better check 5, too, before I go on to 6.

Where an application or participant fails or refuses to forward to the minister the information required . . . the minister may, in his discretion, determine that the application or participant is ineligible for an interest rebate.

And that I suggest to you has a bigger kick in it that we think. It seems to say, give me the information or I'll cut off your rebate. Then I think it is even more horrendous than that. I think what is, in fact, says is: given me the information or I will declare that you were never eligible for a rebate. And if you happened to have got \$20,000 up to now, please give me back the \$20,000. Now just read that and see whether that isn't a reasonable interpretation of this "participant is ineligible." It seems to me that the norm in statutory interpretation is that if you are ineligible you were ineligible from the outset.

Now you will say, "So what, the fellow owes the crown \$20,000, but it not likely to get it back." Well, then I take you on to section 6, because that has been taken care of. The minister signs a chit, sends it off to the courthouse, and you have a judgment against you. Not only in this instance, but in any instance the minister thinks you owe him money. There is no suggestion that the minister has to make his case to anyone. There is no suggestion that he has to present audited statements, give you a statement of claim, give you a statement of why he thinks you owe him money. The normal protections that everybody is entitled to are not here. We wouldn't give the crown the right to do this with respect to hardly any other impost one can think of.

There is no reason for this. There is no reason why the minister shouldn't have to put in a paper, no reason why he shouldn't make a claim in the court. He doesn't need the money right away. If the applicant has no defence it will be a default judgment and it will

be over in 15 days. If, however, the applicant has a defence, then he ought to have a chance to make it. He ought to have a chance to have his answers to the minister. He ought to have a chance to say, "Mr. Minister, you are saying that there has been an overpayment. I say there has not been. Please make your case and I will rebut it."

But the minister won't expose himself to having to prove his case. He will not put himself in the position where he has to say to any judge, "I am right." He wants to say, "I am right because I am minister, not because the facts are on my side."

Now this sort of a provision was in the mortgage interest reduction program. We complained about it there, and I think some small changes were made, some useful changes, giving somebody some right to answer the arbitrary decisions of the minister that are in this bill have the force of a judgment.

There is not cause for that. No case can be made for this type of legislation, and I say that I cannot think of legislation like this. It may be there, but I doubt it. And I don't think it is any sense necessary.

Let me just read a little bit of this:

Where an overpayment to a participant results for any reason, the overpayment is a debt due to Her Majesty . . . and may be recovered . . . by filing a certificate of the minister . . . (and) a certificate filed has the same force and effect as if it were a judgment obtained in the Court of Queen's Bench . . .

Now I think that that is quite unnecessary. It makes the minister judge and jury, and it is in no sense necessary in order to protect the public purse. The minister could very, very easily make his case before a court, and in 99 cases out of 100, if his case was good, there would be no problem, and if would all be over and the 100th case, where the minister, or in fact one of his officials (and we all now how these things happen) makes a mistake, then the citizen would have some answer. He would not be left to please with the minister, saying, "Look, you are wrong. You've got the judgment, but you're wrong." He would be able to say, "Mr. Minister, I think you are wrong. Show me where you are right." And once a minister has to do that, then he's a little more careful about what he asserts.

And this is what happens in public administration, and we all know it. Ministers are busy; they sign, very frequently, things which they do not and cannot have any adequate opportunity to study in detail. They rely on officials who are very good officials, but officials who makes mistakes, like all of us do. And it should not lead the citizen then being totally at the mercy of that process which can have a mistake.

Mr. Speaker, I now turn to section 7:

Any person who contravenes this Act or regulations or who makes a statement . . . that is false in any material respect is guilty of an offence . . .

Now that is a relatively strong provision. Please understand that we all are making statements, which are false all the time, because a statement which is false is one which is not true. We very, very frequently are mistaken. I have to admit that I am mistaken, and I say that something is true when it is false.

I heard yesterday, for example, members opposite saying that a particular matter which was under discussion was before the courts. Now that statement is false. It was false. But it was believed to be true, so it wasn't knowingly false. There was no attempt to mislead, but it was just a statement which was false. And the normal drill, the normal drill in these acts, is to put knowingly so that if someone knowingly give you false information, then he ought to be guilty of an offence. But this isn't what it says.

This bill at every step of the way is loaded, and loaded against the citizen. I invite you to look at legislation, and there's lots of it. I admit some legislation has this but a great deal of it has "knowingly makes a false statement." And that's what it should be, because all of us are making false statements all the time. I wish it weren't true; I wish we were always right, we always had the facts at our command. But we don't, and we sometimes make false statements. Most of us try not to make them knowingly. If we make them knowingly, then wrath should descend upon our heads, particularly if we are trying to mislead, as it would be in this case. Knowingly false statements should be an offence, and wrath should descend. But not for a simple error. An innocent error should not be an offence, which it is.

Maybe a judge would say, "I don't care what you people said. I'm not going to do it." But we shouldn't be asking judges to write the legislation for us.

I turn now to another aspect of this bill, which is really quite startling and remarkable, and that is section 8 and section 9 and section 10, the whole financial basis for this bill. We're going to set up a farm purchase program fund. I simply don't know what that is. I don't know whether it's meant to be a division of the consolidated fund. I want to give notice that we will be pursuing some of these matters . . . (inaudible interjection) . . . Well, it's a cabinet bank account. I'm aware of that because all disposition of it is in the hands of the cabinet. But I think we ought to know who is going to audit it and whether it's going to be audited by the auditor this legislature appoints, or someone who the minister appoints.

And that's an interesting point because I think that one can find virtually nothing administered by the Government of Saskatchewan which is not audited by the provincial auditor, or in a sense supervised by him. Some crown corporations have private sector auditors and that has been agreed to. But the provincial auditor takes the position, and I think rightly so, that he can reaudit those.

Let's look at what we're trying to do here. We're trying to set up a farm purchase program fund. We then move section 4, that the minister may place in that fund money from the land bank repeal temporary provisions act, interest earning and any appropriation from the legislature.

Note that one because I want to come back to that, and that's perfectly reasonable. If the assumption is that this is a free-standing fund, that's perfectly reasonable because an appropriation is something we vote here. That's what estimates are all about. You can't appropriate something unless it's brought here and considered in committee of finance and we know what it's all about. And that's why we're here as legislators, in part to look over the money which the crown wishes to spend. So that's fair enough. Now let's go on to section 4. And I wish the Minister of Finance were here because that is a very remarkable provision in any bill:

The Minister of Finance shall advance to the fund the consolidated

fund, upon the requisition of the minister and subject to any prescribed terms and conditions, any sums that may be required from the purposes of the fund.

Now that is fairly common with respect to capital financing — that money shall be advanced for the capital purposes of the power corporation, or something like that. But with respect to an operating expense, I cannot think of any case — any. And members opposite, I invite to tell me when this legislature has ever said, “This program shall be financed by money which goes from the consolidated fund without any further look by this legislation. No nonsense about appropriations. No nonsense about finance committees. No nonsense about how much it costs or the minister ever having to account for that. The Minister of Finance shall hand over the money and nobody in this legislature shall ever, ever — this year or next year or any other year — have anything to say about how much money is so directed and what its purpose is.” Now that is simply bad legislation.

The basis of our system (and you can agree with it or not) is that money shall not be spent unless it is brought to this legislature and reviewed and voted on. That is the basis of the system. And when the heritage fund was set up (the heritage fund which gets the fair amount of comment from here from time to time), we set it up that way. And no money moves out of the heritage fund unless it’s voted. Because that is the way that a legislature keeps a cabinet in line, if I may put it that way. And in another way, that is the way that citizens have an opportunity to find out what’s happening to their money, because they have got legislators who are elected who can ask questions.

We all know the custom of the government people asking most of their questions in caucus and that’s fair game. And the opposition ask their question in the legislature and that’s fair game.

But if a caucus member wasn’t getting answers in caucus, and this has happened in many legislatures before, or getting answers he didn’t quite like or she didn’t quite like, he may well ask those questions in the legislature when it’s vote time. And obviously he’s not going to make himself or herself popular with the cabinet. But he would be performing the function which he felt or she felt should be performed. And of course it’s frequently done with respect to things like: why aren’t you spending some money on my roads? That is understood and it is understood that government members ask those questions as well as opposition members.

I’m digressing but what I want to say is that the technique of having for operating expenses all of the money voted by this legislature each year so we all have a chance to talk about the program, know how much it cost, is a valuable technique and one which is thrown aside by this legislation and is not necessary. Not necessary.

Up above in section 9(2). Into the fund will go any money appropriated by the legislature. And that’s fair game. If the legislature wants to appropriate the money for that, fine, we’ve had our kick at that can. We as an opposition and other members have had an opportunity somehow to raise their issues.

But once we go down to subsection 4, as I understand it:

The Minister of Finance shall advance to the fund for the consolidated fund, upon the requisition of the minister, and subject to any prescribed terms and conditions, any sums that may be required for the purposes of the fund.

That's simply bad legislation, unnecessary legislation, and ought not to be there.

Now I move on, Mr. Speaker. I don't want to belabor all of these issues but I think they are relevant.

We now go down to subsection 6 of section 8, which is a little strange:

Notwithstanding the heritage Fund (Saskatchewan) Act, the minister may transfer any amounts that he considers appropriate from the fund to the Saskatchewan Heritage Fund.

For good or ill, the heritage fund has been a fund in which we had deposited all resource revenues and no other revenues. And we had taken out money so that everybody in this province know how much resource revenue came in, except for some trifles which you might argue should or should not be there.

If anyone has any comment on this I'd be happy to debate the structure of the heritage fund because it is, as a method of dealing with resource revenues, as comprehensive a method as anywhere in Canada, giving a legislature more opportunity to discuss the disposition than any other. I repeat again, up to now the heritage fund has been that.

The proposal is to make the heritage fund something different. That is the effect of section 8, subsection 6: transfer any amounts that he considers appropriate from the farm purchase program fund to the heritage fund.

MR. SPEAKER: — Order. I just want to draw to the attention of the member page 2245 of Beauchesne's, rule no. 734. It says that:

The second reading is the most important stage through which the bill is required to pass; for its whole principle is then at issue and is affirmed or denied by a vote of this House. It is not regular on this occasion, however, to discuss in detail the clauses of the bill.

I think that the member has been going into a great deal of detail in discussing individual clauses which could more properly be done in third reading.

HON. MR. BLAKENEY: — Mr. Speaker, I accept your ruling. I do say, however, that this bill is full of principles which are new to this legislature. And one of them is the principle that the heritage fund shall no longer be a resource fund. And that is an important principle implicit in this bill.

Another principle implicit in this bill is that this activity shall not be subject to the purview of the provincial auditor. And that surely is a very new and very different principle. This legislature has jealously guarded the fact that it can call upon the provincial auditor as its servant, and not the servant of the Lieutenant-Governor in Council, to tell us what the facts are. And every government has been stung by that because auditors aren't always saying things that governments like.

This bill adopts the principle that if you don't like what the provincial auditor is likely to say, don't let him audit the books. And that's what this bill says. And I think that's a very, very, sharp departure, and one which ought not be accepted by this legislature.

We then see what other principles are involved. Again, Mr. Speaker, I have to tell you that we have in the past, and this is not in any partisan way, but we as a legislature in the past have set down certain principles. One of them is that the auditor shall audit the public funds. And another one is that if there are going to be federal-provincial agreements, they should be in the form set out by this legislature in The Federal-Provincial Agreements Act, so we know what the arrangements is. All too often people assert powers pursuant to agreements that they wouldn't have had had the agreement not been signed. And clearly, therefore, there is not reason why this bill requires a departure from that principle. NO argument has been put forward why we should depart from that.

Now I said earlier that this bill contains a sharp and new principle with respect to the heritage fund which is a very, very, major source of the financial operations of this province. And I said that as a matter of principle, we have said that no money goes out of the heritage fund which isn't voted out.

This bill contains another principle. Money shall go out of the heritage fund which isn't voted out. Money shall go in which isn't resource revenues, but that's not a tragedy although it messes it up. Money shall go out which isn't voted by the legislature, and that is a tragedy. That is the Alberta system of a heritage fund operated by those cabinet and it's a bad system. Heritage funds contain large sums of money and those moneys should be disposed of as the legislature says, and not as the cabinet says. And that principle is being denied by this bill and is certainly one which ought not to be included in it.

Now, Mr. Speaker, my colleague, the member for Quill Lakes, has dealt with the very, very, broad aspects of the regulation section and I won't attempt to deal in more detail with that. I do say that this bill, viewed now from the aspect of the rights of a citizen, and the rights of this legislature, is a bad bill. I am not now addressing myself to the question of whether or not there should be a loan program for farmers. I have no objection to a loan program for farmers. I have some fears that this loan program will in fact benefit only farmers who can marshal \$150,000 or \$200,000 in assets and will not be effectively available to farmers who have much smaller assets.

I have fears that if a person has only, say, \$50,000 and doesn't have any land, this program will not allow him to get into farming. He will not be able to put up land as security to meet the minimum security requirements of the farm credit corporation. He will not be able to put up cash as an alternative to those security requirements. So, he will not benefit from this program, and so far as he is concerned, it will not be a farm purchase program and he will never get into farming.

That is a question of strategy I suppose, and I don't mean that in any narrow sense. It's a question of the wisdom of whether or not one should encourage people to get into farming today if their net assets are \$50,000 or \$75,000, or whether they're doomed to failure if that's all they start with. I don't know that.

It was the belief of the previous government that people could get into farming, and that they could start with small assets and add to those assets. That was, by and large, what happened with respect to a very large number of land bank lessees. No one claims that the land bank program was perfect. However, the suggestion that somehow its success can be measured by the number of people who bought land from the land bank is, of course, totally fraudulent.

One wants to look at the average size of lease from the land bank (it was around 300 acres or something like that) and the average-size holding of a land bank lessee in land which he owned and land leased from the land bank. That was well over 800 acres. So, the average land bank lessee had 500 acres or so which he owned. That's not how we started. The average land bank lessee started with a quarter or a half and leased another quarter or two, and then bought another quarter. In my analysis, Mr. Speaker, he starts with two quarters; he leases two; he farms four; he buys another using his first two as security. And he doesn't buy the land bank land. He buys somebody else's land because he needs five quarters and he only had enough money for three . . . (inaudible interjection) . . .

I don't want to deal with the holdings from the land bank of politicians, federal or provincial, in this province, or candidates either. Nor do I want to reflect adversely on the member for Thunder Creek, who isn't here, simply because he has leased land from the government. Many, many other citizens have leased land from the government. Indeed, I suppose half the ranchers in this province have leased land.

These sharecroppers, as they're sometimes called . . . I'm sure some of the ranchers . . . I would not use that term to describe ranchers down in the bar in Maple Creek. I may not get out . . . (inaudible interjection) . . . I would at least want the hon. member for Shaunavon with me if I tried that. I would accept also the member for Rosthern.

But I come back to the issue. I have some real concern about whether or not this legislation isn't going to leave out a large group of people who I would think we ought to encourage — people who have small assets in these terms, \$50,000 or \$75,000, and who wish to get into farming. There is no question that a large number of this class of people have gotten into farming (and successfully) through the land bank program. They have increased their holdings of deeded land and retained their land bank land. They didn't buy the land bank land because they were getting a good deal on the lease so they bought deeded land. I think that the figures on the average holdings of land bank lessees make this very clear. The average holdings keep going up of land bank lessees, which can only mean that land bank lessees have been successful in increasing the amount of land they owned, even though they leased land from the land bank.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. BLAKENEY: — If anyone doubts this, I would be delighted if they would review the figures and dispute the proposition that the average holdings of land bank lessees, of leased land and deeded land combined, keeps going up, and that the average holdings of deeded land of land bank lessees is increasing. These people are getting started.

You may say there's another way to get them started. Fine. If this program does, in fact, allow people with assets of \$50,000 or \$75,000 to borrow money and get land, then this is a good program. If, however, it is confined only to people who have two or three quarters, then it is not a sufficient program. It is not my view that this is necessarily a bad program. I am just saying that it is a bad program if it's meant to substitute for land bank, because it leaves a great number of people who could get benefits from land bank without a benefit under this program.

I think it's quite possible for them to lock right together. It's not all that long ago that the farm credit corporation mortgage interest rate was 8 per cent. Then we knew, with an 8 per cent rate, just how many people got into farming then from the farm credit corporation, and the answer is a good number. The farm credit corporation helped a lot of people in this province. But there were a group of people who couldn't qualify for a farm credit corporation loans at 8 per cent, and that was what land bank was all about. It is still needed, because there are still people who can't qualify if they have \$50,000 or \$75,000, and there ought to be a way to get them into farming.

If you don't like land bank, and obviously you don't, then you have to come up with some other way to get those people into farming. I don't think you have done it with program. This will get another group of people into farming, people who have assets of \$150,000, \$175,000 or \$200,000, a couple of quarters which they can put up, or whose parents can put up land as security. Fair enough, there's no reason why those people wouldn't own their own land as well. But it does not cover all the field.

I think you ought to ask yourself whether you wish to bar from farming everybody who can't qualify for a farm credit corporation loan at 8 per cent for five years and 12 per cent thereafter. That's the test. If you want to bar all those people from farming, fair enough. If you want to say that people with \$75,000 or \$100,000 put together from their dad and from their dad-in-law ought to have a chance to get into farming, then you've got to come up with another program. If you don't like land bank, do something about it — and you are — but what you're doing is cancelling it and not putting anything in its place. This will not allow a person with those kinds of assets to get into farming.

AN HON. MEMBER: — You better read it.

HON. MR. BLAKENEY: — I have read the whole thing, and I better not read it now or Mr. Speaker will comment on that.

I am saying that what you are aiming at is desirable enough so far as it goes, but does not allow people with a small amount of assets to get into farming. It the idea of leasing, like the ranchers have done for so many years, is not acceptable, and I understand that — I understand the feeling that many people have that anyone who tills land as opposed to using it for grazing should own it — okay, I understand that you're driving at and I'm sure that a whole lot of people in Saskatchewan agree with you, and a whole lot of people want to own farmland. It gives them a sense of security, and who can't understand that?

As a young man, I wanted to own a house, and I don't whether I needed a house or not, but I simply wanted to own a house. I owned a house, bought a house and had it three-quarters built before I had any children, and one must ask whether that was sensible. But it responded to a desire that I had to own a house. And I understand, in the same way, that a lot of people want to own farmland, and I'm not for a moment saying it isn't sensible. In fact, it's a very shrewd investment over any long term to own farmland. So, I fully acknowledge the desire of people, which I would share if I were a farmer, to own the farmland. No one is arguing that, no one is arguing that.

However, I think that people with modest assets of \$50,000 or \$75,000 ought to be able to do that, and they will never do it unless you put at their disposal more assets than their \$75,000 will buy. You have to give them something else to earn income. I don't know how you want to do it. You can do it by a very low rate of interest, so that they

can buy more land. You can do it by leasing some land to them and allowing them to get a holding of deeded land while they're leasing some other, at admittedly a low lease rate. There are many ways you can do it — but that's the task, and that's the task this bill does not address.

I would be interested in any hon. member standing up and saying, "Here is how it's going to work. This fellow has \$75,000 and I'm going to show you how he can take this \$75,000 and get himself a second-hand line of machinery, and buy a half-section or a quarter-section and then buy another quarter, and go to the farm credit corporation and pay the interest on both of these quarters" — or however it's going to be done. Take me through one, because whenever I ask anyone, they say that it can't be done. They say the farm credit corporation wants at least quarter for quarter — if you want to buy one, you've got to have one clear. And I hear some people say that in many cases they want two clear, but let's take one for one.

Take me through how this young man with his \$75,000 is going to get into farming, and I just don't understand it. Many of you people who've got lots of experience with farming could undoubtedly take me through it, but I can't find anyone who will. I've talked to people who know farm economics, as I don't — I'm free to admit I don't — and no one can see how it's going to work. So I'm very much afraid that this bill, while it will undoubtedly assist people who have assets at their command, either owned or able to pledge, of \$150,000 or \$200,000, simply doesn't do the job for people who lesser assets.

I therefore feel unhappy about the fact that this program is to replace land bank. I would in no way object to it supplementing land bank, because it basically serves another clientele, but it will not do the job for people who might have been land bank lessees. I'm not suggesting that you might not find some other way, if the land bank structure bothers people. But you don't in anyway solve the problem by dumping on land bank, unless you can come up with an alternative that assists that group of young people.

If your position is that people with that kind of assets shouldn't get into farming because it's an impossibility, then I think you should state it flatly and everyone will know. But I don't think that is your position. I think you believe that somehow a person with \$75,000 of assets can use this bill to get into farming, and I think you're deluding yourself. I think you're deluding yourself, because I'm quite unable to figure out how it can be done, and I've asked people who I think should know.

Mr. Speaker, there are a few other remarks I would like to address to this bill and accordingly I beg leave to adjourn debate.

MR. SPEAKER: — Debate continues.

HON. MR. BLAKENEY: — Mr. Speaker, then we'll have to address a few other remarks until 5.

I would like to touch upon the program as put forward by the minister in his press releases, as I already indicated there's nothing in the bill, and to raise the question of whether or not any young person can be expected to borrow, and in this case probably \$200,000 or \$250,000, at an interest rate. True, it is likely to be lowered but it is way up there now. What this bill in effect does is ask the young person to sign a mortgage saying that he will pay 15 per cent, knowing that he can't pay 15 per cent out

of the proceeds of the farm operation. He is relying on the fact that — who knows? — this government, or the next one, or someone may well pay him a rebate, at some amount in accordance with the press release. That strikes me as being not fair to any person who is asked to undertake those obligations. And for the simple reason that the purchaser is undertaking a firm legal obligation, it is my judgment and I believe it ought to be the judgment of this House, that the rebate to which the person is entitled ought to be set out in the act. It seems to me that anything less is to ask borrowers to take an unacceptable risk. Now let me be clear that the members opposite suggest that they will all be in regulations, and the farmers trust us.

May I say that all men are mortal, and all governments are mortal. And I have no doubt that while the present members occupy the treasury benches a press release will be good enough, or the regulations will be good enough. We are making an arrangement for 10 years, and I am not suggesting that the government will necessarily be defeated in 10 years, but governments have been defeated, governments with large majorities have been defeated in less than 10 years. I need hardly remind hon. members opposite that the government which got the largest majority in the history of Canada in 1958 was by no means around in 1968. It was long gone in 1968.

There is no necessary reason therefore for believing that a large majority will necessarily mean that a government will have a long life. And accordingly, it seems to me that the protection of a person who is borrowing under bill 45 ought not to depend on a simple order in council.

True, a new legislature could repeal the 8 and 12 figures which we put in the bill. But it is very much more difficult to justify to the public a repeal of a provision which was adopted by the legislature, knowing that the public would rely on it, than it is to repeal the regulations under the act, which can be done basically in the dark of night, in the sense that there is not debate on them. All of us who have sat on treasury benches know that that is in fact the case, and we have passed many orders in council. For all I know some of them may have been unfair to citizens. We try not to, but that doesn't always happen.

And accordingly, I think we ought to do better where something is intended to last for 10 years. It's not a question here of something which can be dealt with in a very short period of time. A 10-year commitment by a person depending upon a rebate, who will be completely and totally wiped out financially if the rebate doesn't come, ought to be enshrined in statute. That strikes me as the absolute minimum, and frankly I'm surprised that the government opposite doesn't adopt that point of view.

I'm totally puzzled at why they wouldn't put in the statute a provision whereby the net interest rate defined as we all understand it, would be 8 per cent for five years, or not more than 8 per cent for five years, or 12 per cent for the additional five years. And, in committee we're looking at why the members opposite so resist putting this absolute deadlock provision of their program into the statute.

The next point I want to make is the arrangement with respect to the lenders. Now I think the arrangement with the farm credit corporation is a good arrangement, but I doubt whether it should be the exclusive arrangement. I am puzzled I think as to why with respect to house mortgages we can use many, many financial intermediaries, and with respect to farm mortgages we use only one.

AN HON. MEMBER: — Farm credit wants to finance the houses in Regina.

HON. MR. BLAKENEY: — Clearly the farm credit corporation is a good financial intermediary. They've got lots of experience in this field. They do a good job. Although I must say on many occasions — or I guess on a number of occasions — when I have dealt with them as a lawyer on behalf of clients, I felt that they really wanted quite a lot of security. This, I suspect, is still the case.

I ask why credit unions are to be shut out of this program. They are the providers of very much of the farm credit in this province. They provide a great deal of the mortgage money. It strikes me that it would not be difficult to make the same arrangements with the credit unions that you make with the farm credit corporation.

Banks curiously provide a good deal less mortgage money in this province. They have not been large mortgage lenders of a 10-year or longer basis for a long time in this province. So, we're really talking about . . . We could include the banks but I think they're not really interested in this. I am sure the credit unions would because they have been part of this whole structure of financing generational roll-over for a good long time.

As a former director of a credit union (and a large credit union, Sherwood Credit Union, which had a very large farm clientele at that time and no doubt still has), I am in a general way familiar with the many arrangements which have been made by people who are long-time credit union members to finance the purchase of farmland by their children and their children-in-law, and very frequently by arrangements between the two sets of parents to set up the young couple.

All of us I think are familiar with these arrangements, many of them worked out by credit unions, many of them able I think to extend credit to young people partly on the basis of the written guarantees of the parents and parents-in-law, and partly on the fact that there was virtually a guarantee whether it was written or not that the parents or parents-in-law would help the young people get started.

AN HON. MEMBER: — Point of order.

MR. SPEAKER: — State your point of order.

MR. SCHMIDT: — The member for Regina Elphinstone is giving us a history lesson credit unions. I think he's forgotten the subject at hand here is the immediacy of getting money into the pockets of young farmers. I ask the Speaker to make a ruling on relevancy of this debate at this point.

MR. SPEAKER: — I've been listening to the hon. member very carefully. He has been relating his remarks to the bill, and I would rule that the member has the right to continue.

HON. MR. BLAKENEY: — Thank you, Mr. Speaker. I'm glad for the interjection of the hon. member for Melville because I think . . . (inaudible interjection) . . . thank the member for Souris-Cannington also for his interjections for the same reason. By and large, his interjections have no other merit, but they have that merit.

Now to come back to the point that I make. There is a need to make money available.

Savings in this country are at perhaps an all-time high, a very high level. Savings in this province are at a high level. There's a lot of money in the hands of credit unions. I think that this could be made very, very quickly available. Indeed, this is urging the minister to adopt this program under the bill, because under this bill he could use . . . (inaudible interjection) . . . That's right. You could use the Saudi Arabian monetary authority under this bill and there is nothing to stop you. But on the assumption that the bill can be read in the light of the minister's press release — and there's nothing other than that assumption — it is intended that the money come from the farm credit corporation.

As I have indicated, I agree with that, but not exclusively.

I would ask hon. members to consider whether or not it would be a good idea to combine farm credit corporation with credit unions. This would enable many young farmers, who undoubtedly the concern of the member for Melville, to get their money even more rapidly. Under circumstances where young farmers are known to credit unions because their parents are known to the credit unions, they would have a much easier time to qualify. Farm credit corporation necessarily has to stick to the rules. They're a federal crown corporation. They have to stick to the rules and deal even-handedly with all people. A credit union operates on the basis of knowing its borrowers, knowing that you can stretch a point if a borrower has been a good borrower in the past and, particularly in this case, if the parents and parents-in-law have been good borrowers in the past. I think that that's in fact the case.

I am well aware of instances where a point was stretched for a young farm couple in the full knowledge that if they couldn't make the payments their parents or parents-in-law or them together would see that the payments were made. They knew that the credit union depended on them and that's the way they operated. It was in that sense a family operation, and I think that there's merit in our considering allowing that to operate alongside of the farm credit corporation.

I wonder now about the figure of \$350,000, which is also not in the bill. Does the member for Souris-Cannington believe that this is the appropriate cutoff level? We will ask some questions about that in committee, and I want also to question the matter of off-farm income.

The Assembly adjourned at 5:00 p.m.