

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

December 11, 1984

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### NOTICES OF MOTIONS AND QUESTIONS

**HON. MR. ROUSSEAU:** — Mr. Speaker, I give notice that I shall on Thursday, December 13, move first reading of a Bill, an Act to amend The Automobile Accident Insurance Act.

### ORAL QUESTIONS

#### Housing for Seniors in Buffalo Narrows

**MR. THOMPSON:** — Thank you, Mr. Speaker. I direct my question today to the acting minister in charge of Social Services.

Yesterday I asked a question in the House of the Premier, and he got the minister of the Saskatchewan Housing Corporation to answer the question. The point that I want to point out to the Assembly, that I brought this matter to the attention of the minister responsible for SHC yesterday, and the reason I'm bringing it up again today is that no action has been taken. So I'll now put this question today to the Acting Minister of Social Services.

Buffalo Narrows has a 10-unit senior citizens' housing complex, and there is a waiting list for these units. I know of at least two women, both in their eighties, who are trying desperately to be admitted to the senior citizens' housing complex. So far they have been refused because the units are full, but one of these units is filled with two employees of your department. Social workers from your department are living in the senior citizens' housing complex.

Can you explain why there are living there and preventing senior citizens in need from moving in?

**HON. MR. DUTCHAK:** — Mr. Speaker, I might preface my remark by saying that the member raised the question yesterday, and indicates to me that he underemphasizes the extent to which we got to as a government in trying to clarify some of the serious allegations that are brought to this House. I have the information for my friend across, but I'm a little disappointed at what else I did find out in investigating this particular issue.

Mr. Speaker, it appears that in Buffalo Narrows there is no waiting list for senior citizens. The housing corporation is presently building housing units for families, and, in fact, the suite that the member speaks about was vacant for almost one year in Buffalo Narrows.

Mr. Speaker, two of the civil servants expressed interest in renting the suites, so the decision was made to rent them at market value on the condition that the rent would be on a month-to-month basis on the understanding that if seniors came along and wished to live in the suite, they would vacate.

On approximately December 6, a senior came to our people and indicated that the senior wanted to rent the suite on the 7th of December, roughly. The civil servants were spoken to and have agreed to vacate for the senior. It's my understanding today that the senior has now no interest in locating in this suite.

However, Mr. Speaker, I wish to bring to this House the fact that local residents in Buffalo Narrows have been entrusted with the responsibility to keep an eye on these suites and to rent them to people who may become available to rent them. There is a lady named Mrs. Petit that's

been given this responsibility. I had my people investigate the situation yesterday, and Mrs. Petit indicates that there's no waiting list, contrary to what my friend has indicated to the Speaker yesterday.

However, Mr. Speaker, what's extremely disappointing to me is that Mrs. Petit, half an hour ago, advised me that she indicated this to the member opposite three days ago, and that the member was aware of these facts before he asked the Premier the question yesterday, Mr. Speaker.

And I believe, Mr. Speaker, the member owes Mrs. Petit and every other employee of the housing corporation an apology for bringing this to the House.

**MR. THOMPSON:** — A new question, Mr. Speaker, and I direct this question to the minister of the Saskatchewan Housing Corporation. I was not aware, Mr. Speaker, that the minister of the Saskatchewan Housing Corporation was the acting minister of Social Services, who I directed my last question to.

I want to also, Mr. Speaker, I want to indicate to you that yesterday when I did ask the question in the House of the Premier, answered by the minister of Saskatchewan Housing Corporation, in his reply to my question yesterday he questioned my motives, thus using clearly unparliamentary language. Today he's asking me to withdraw and to apologize for the statements that I have made.

My question to the minister in charge of the Saskatchewan Housing Corporation is that I also spoke to the chairperson about one hour ago, the same chairperson that you indicated you spoke to. I have also spoken to the two women, one who is — they're both over 80 years old — one who is terminally sick, the other one who's just come out of the hospital. You're indicating there is no list.

I ask you, Mr. Speaker, through you, I ask the minister in charge of the Saskatchewan Housing Corporation: are you saying that there's no waiting list? And are you saying that the phone call that I made to the chairperson, the information that she gave me was false, and that there was not two senior citizens that want to move in?

**HON. MR. DUTCHAK:** — Mr. Speaker, I'm saying that the only falsehood here are the allegations brought to this House by the member. And, Mr. Speaker, if the member was truly concerned about the senior citizens in Buffalo Narrows, he could have called me. He could have asked the department to intervene and deal with the situation. It wasn't done, Mr. Speaker. If Mrs. Petit is wrong, if our housing corporation employees are wrong in this matter, Mr. Speaker, it will be rectified.

However, I have no evidence that my employee, the employees of the housing corporation are wrong, and I have no evidence to indicate this.

If the member has some information, we will further pursue the matter, Mr. Speaker. However, I question the manner that this matter was brought to this House without any consultation with the people who deal with the matter.

**MR. THOMPSON:** — New question, Mr. Speaker, to the minister in charge of the Saskatchewan Housing Corporation who has just indicated to this House that I am bringing false information to this legislature. I say that I am speaking in this House and asking questions because I have concerned senior citizens who want to move into them units, where there are social workers living in them by your own admission.

And I ask you: will you see that them social workers are moved out to vacant housing that you have in Buffalo Narrows? There's vacant houses there, staff housing. Will you see that they're moved out so that these two senior citizens — only one of them is going to get the unit because

there's only one unit that will be available; the other one will still have to wait — but will you agreed to see that that unit is vacated so that the senior citizens can move into the houses that they so rightly deserve?

**HON. MR. DUTCHAK:** — Mr. Speaker, I have no problem in giving the member my assurance that if there is a senior that wishes to live in that particular facility that it will be vacated. And that was indicated by Mrs. Petit to him previously, and it was indicated to other people in Buffalo Narrows, Mr. Speaker. And that's my position today.

**MR. THOMPSON:** — Supplementary, Mr. Speaker, to the minister in charge of Saskatchewan Housing Corporation. Are you indicating that the information that Mrs. petit gave me, that you're saying that they don't need them units right now, that there is no waiting list, that there is not two senior citizens waiting to get in? Are you saying that she did not try to get Saskatchewan Housing to move them people out of there? Is that what you're saying?

**HON. MR. DUTCHAK:** — Mr. Speaker, our position is very simple. The employees of the housing corporation in 1982 were instructed to be more sympathetic to the situation in the northern communities, Mr. Speaker. Our position is, if the member, indeed, has an individual that is prepared to move into the suite, it'll be vacated. It's as simple as that.

And if the member wishes to clarify his position, perhaps he would be prepared to provide me with the names of the individuals.

**MR. THOMPSON:** — Final supplementary, Mr. Speaker, to the minister in charge of Saskatchewan Housing Corporation. Are you indicating, in this House today, that there is no waiting list; that Mrs. Petit, who told me one hour ago that she has asked your department to get the social workers out so that Mrs. Eleis Stainus or Mrs. Brulé, one of the two senior citizens, could move in? Are you saying that this is not true?

**HON. MR. DUTCHAK:** — Mr. Speaker, I know that the member must be embarrassed with what he's been faced with today, the fact that we have done a little bit of research and found his allegations false. If the individuals he mentioned require accommodation, they will have the accommodations. It's as simple as that. And Mrs. Petit knows that. She indicated that to me, as well. There's no confusion, Mr. Speaker, except on that side of the House.

**MR. THOMPSON:** — . . . (inaudible) . . . the Minister of the Saskatchewan Housing Corporation. Is it a new policy with the Saskatchewan government to now allow civil servants to live in senior citizens' homes?

**HON. MR. DUTCHAK:** — Mr. Speaker, as the member should know, when we inherited the situation in the housing corporation, we also inherited hundreds of empty houses, or houses which were used by people who weren't paying the adequate rent, people that could afford to do so.

The detriment was that the people that really needed the accommodation didn't get the accommodation, Mr. Speaker. If there are any accommodations that are empty, yes, we will rent them at market value to civil servants or anyone else, instead of keeping the places boarded up and empty as the previous government did.

**MR. THOMPSON:** — Final supplementary. Mr. Minister, you're indicating to this House that the new policy of the Saskatchewan government is to rent senior citizens units to civil servants. Is that right?

**HON. MR. DUTCHAK:** — Mr. Speaker, it may be appropriate for the member to spend a little more time in his community and then come back to us once he's achieved some understanding, of the situation in Buffalo Narrows. the situation is that one suite was empty for almost a year,

Mr. Speaker. In those isolated cases, yes, we will rent them to people at market value rather than leaving them empty. The funds that are received from renting them in that particular case are put back into the project.

### **Closing of Prairie Wildlife Interpretation centre at Webb**

**MR. LINGENFELTER:** — Mr. Speaker, a question to the Minister of Parks and Renewable Resources, Mr. Minister, my question has to do with the closing of the wildlife, interpretation centre at Webb. Mr. Minister, last week, or the week before, I questioned the Premier, who took notice of the question and has not returned with an answer to this Assembly, so I'll put the question to you.

Mr. Minister, you will know that the interpretation centre at Webb has been proposed to be closed by the federal government. Last week, Mr. Minister, I telexed the federal minister, Suzanne Blais-Grenier, to ask whether or not she would, indeed, keep the centre open. Yesterday, she replied in a telex to me, and I want to quote from that:

I agree that the Prairie Wildlife Interpretation Centre is a major tourist attraction for your community and should continue as such. Therefore, I believe it should be operated locally. I have already written to the Hon. R.W. Pickering, Minister of Parks and Renewable Resources for the province of Saskatchewan, seeking his possible interest in ownership and management of the Prairie Wildlife Interpretation Centre by the provincial government.

Mr. Minister, my question to you is whether or not you have decided to operate the interpretation centre at Webb, which would allow for 20-some odd people to continue working there, and the large number of visitors and students who come to the centre each year, whether you will keep it open?

**HON. MR. PICKERING:** — Yes, Mr. Speaker, I would like to indicate, first of all, that the interpretation centre at Webb is an attraction for the people travelling through the province of Saskatchewan, and we would like to see it open. But the fact of the matter is that it operates at a deficit every year of \$250,000, and we are looking at options in which . . . in a way that we can keep it open; whether we can get local organizations or whatever.

One thing I would like to bring to the attention of the Assembly is simply that the member from Shaunavon, when he asked the question to the Premier, indicated that there was 20 jobs lost. That is not true. There is only four full-time jobs, 2.5 person years. And I would also like to indicate that the Leader of the Opposition mentioned in his reply to the throne speech that there was 24. Now I don't know where you get your figures. They fly right out of here and here and whatever. That is not true. We are looking at options in which we can keep the thing open because it's a very attractive thing for tourists travelling across Canada.

**MR. LINGENFELTER:** — Mr. Speaker, I would have a supplement for the minister. I did indicate to the Premier that there were 20-some odd jobs lost, and I indicate to you that there are exactly 22 — four full-time and 18 part-time; and I ask you whether or not that's not accurate?

**HON. MR. PICKERING:** — My information is that that is not accurate. There is four full-time employees, and 2.5 person years of part-time employment involved.

**MR. LINGENFELTER:** — Mr. Speaker, a new question to the minister. Mr. Speaker, the administrator of the wildlife centre, who every summer has at least six or eight people on the staff at any one time, will be interested in the minister's response that there are only four people working there. I'll ask you one more time whether you can give your assurance and stake your reputation on it that there are only four people working at that centre during the summer months in Saskatchewan at the wildlife centre.

**HON. MR. PICKERING:** — My information from my department is the fact of the matter, there was four full-time and two and a half person-years part-time. And it's only open during the summer months.

**MR. LINGENFELTER:** — Mr. Speaker, the question to the minister — it's very obvious that either the administrator at the wildlife centre and all the people in south-west Saskatchewan are wrong, and the minister is right — but the question that I want to ask the minister is this, is whether or not, Mr. Minister, you have decided to put money into this program to keep the wildlife centre open, a wildlife centre that by the federal minister's own admission is an attraction for your community and that it should be continued. Do you agree with that assumption by the federal minister that it should be kept open and that you have a responsibility to put money into it?

**HON. MR. PICKERING:** — Well, first of all, we are looking at ways that we can finance it. I told you earlier that it operates at a deficit of \$250,000 a year. That is a lot of money for us to put out of our department. We have other ways and means; we didn't plan on budgeting in 1985-86 for an extra \$250,000, and till we figure out a way that we can come up with that to operate the centre, I'm quite willing to go along with opening it and keeping it open, because it is a very attractive tourist attraction to south-western Saskatchewan.

**MR. LINGENFELTER:** — Mr. Speaker, I would like to ask the minister a question based on his proposals that he would be putting forward as to other options. He will know that the Canadian Wildlife Federation, the Saskatchewan Federation of Wildlife, and many other groups, have talked to him and requested that he be involved in keeping the centre open. I wonder if he could explain to the Assembly what proposals he has, other than direct provincial funding, to keep the centre open at this time?

**HON. MR. PICKERING:** — Mr. Speaker, we will be looking at all options, and if we come up with some type of a solution, we will certainly announce it in due course.

#### **Plains Health Centre Deficit**

**MR. SVEINSON:** — Mr. Speaker, I have a question to the Minister of Health. Recently at an administrative meeting at the Plains Health Centre it was indicated that they are suffering a \$330,000 deficit, and they've been told by this government to get their books in order. A suggestion at that meeting was that they be placed on the recipient list of United Appeal. I would like to ask the minister of that consideration is a serious consideration? And what the solution is to the Plains Hospital's \$330,000 operating deficit.

**HON. MR. TAYLOR:** — Well, Mr. Speaker, I could say to the hon. member opposite that we expect the hospitals to operate efficiently in this province, and I think many of them do, and that's an expectation. As far as the united Appeal, I know nothing of it.

**MR. SVEINSON:** — This government's claim to being number one in health care in the country could maybe be supported by putting hospitals on United Way recipient lists. If, in fact, the moneys aren't available, I suggest that that be an alternative to this government. The question is: why the \$330,000 operating deficit that is currently being faced by that particular hospital? and how will they solve their problems? I know they've gone out and requested funds; they've hired a fund-raiser. They haven't quite met their obligations, and is this government will to, in fact, help them with their deficit?

**HON. MR. TAYLOR:** — Mr. Minister, as we do with many of the Crown hospitals, we are in continual consultation and discussion with them. If the Plains Hospital have problems, my door is open, and so is my deputy's, to sit down and discuss these matters with them at any time.

**MR. SVEINSON:** — Supplementary, Mr. Speaker. Are there any other hospitals in the province, Mr. Minister, who are presently receiving funds from United Way?

**HON. MR. TAYLOR:** — Mr. Speaker, I do not know of any receiving funds from the United Way. I do know that some of the hospitals in the province of Saskatchewan have some very successful foundations operating, which we have encouraged them to do. They have these in place, and I think soliciting a number of funds from the private sector and from various other charities and donations, I see nothing wrong with this. Whether the Plains has one at that point, as far as the United Way, I know nothing of it.

### **Saskatchewan Food Prices**

**MR. SHILLINGTON:** — Thank you very much, Mr. Speaker. My question is to the Minister of Consumer Affairs. It has to do with an area in which Regina is number one, and that's in retail food prices. Many Saskatchewan farmers have their backs to the wall financially, due to the low prices they've received for their commodities, and yet Saskatchewan consumers continue to pay the highest retail food prices in Canada.

My initial question to the minister is: have you reviewed the retail food price report from the federal Department of Agriculture which says that Regina has the highest retail food prices of 13 major cities surveyed during October?

**HON. MRS. DUNCAN:** — Yes, Mr. Speaker, the department has reviewed the report.

**MR. SHILLINGTON:** — New question. Madam Minister, I wonder if you will agree that it contains some very disturbing news to both Saskatchewan farmers and Saskatchewan consumers. The federal government report during the month of October showed that the cost of feeding an average family of four in Regina was \$96.52. That's \$4.40 a week more than is paid in Edmonton, \$7.20 a week more than is paid in St. John's, \$11.48 a week more than is paid in Winnipeg, and \$11.82 more than is paid in Halifax.

Does the minister not agree that the food prices in Canada's bread basket should not be the highest in Canada?

**HON. MRS. DUNCAN:** — Well, Mr. Speaker, I can indicate to the hon. member that historically prices in Regina have always been higher than any other centre in the province, and in Canada. I might also indicate, Mr. Speaker, that StatsCanada is very, very adamant that one cannot compare prices region to region, province to province, and city to city because there are many factors that come into play. One factor of why there are lower food prices in Saskatoon is the presence of a new store trying to gain a market share. That particular store, SuperValu, has indicated that they will be opening a store in Regina in the near future unless things get hung up in council. And as I understand it, Mr. Speaker, they're attempting to get some rezoning problems resolved with the city council.

The member also asked a similar question last year. As I said there's some reasons why there are differences in prices city to city. One of them is local taxes. Local taxes in Regina are somewhat higher than that in Saskatoon. But as I said, Mr. Speaker, I'm pleased, as I indicated last year, that this government would do everything possible to encourage SuperValue to establish a store in Regina to bring in some competition. and that is to happen shortly.

**MR. SHILLINGTON:** — New question. I take it then that the minister agrees that there is . . . If it is historically true that the food prices are higher in Regina than elsewhere, then the minister, I take it, will agree that historically there's been an injustice. Because I take it from the minister's last comment that you agree that there is less competition in Regina than elsewhere, and that is why the food prices are higher. I ask the minister if you will agree that that is part of the reason why the food prices are higher, and if so, what has the minister done to rectify that injustice?

**HON. MRS. DUNCAN:** — No, Mr. Speaker, I do not agree with the assumptions of the member opposite.

**MR. SHILLINGTON:** — Well, supplementary, Madam Minister. Supplementary, Mr. Minister. What steps have you taken since last year when the matter was raised to rectify the situation? Have you, by way of example, called in the major food chains, two of which dominate the selling of food in this city, and asked them to justify the higher food prices?

**HON. MRS. DUNCAN:** — Mr. Speaker, I can indicate to the member opposite that we have ongoing discussions with the food industry and the major players in the food industry and also with the privately owned, family-type establishments in Regina. It's my understanding that we have more of those in Regina than they do in Saskatoon.

**THE SPEAKER:** — Order, please.

## **INTRODUCTION OF BILLS**

### **Bill No. 8 — An Act to amend The Legal Profession Act**

**HON. MR. LANE:** — Mr. Speaker, I move first reading of a Bill to amend The Legal Profession Act.

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

## **POINT OF ORDER**

**MR. LINGENFELTER:** — Mr. Speaker, before orders of the day I rise on a point of order. Yesterday, during the question period, on page 345 of the *Hansard*, in the recording of the Assembly, the member for Prince Albert-Duck Lake, in answering a question to the member from Athabasca, questioned the motives of the member in asking a question, and I quote, "I wonder what his motive is, Mr. Speaker." I listened again today to the member during question period, and not only did he question the motives of the elected member from Athabasca, but he went on to say that falsehoods were brought here by that member.

Mr. Speaker, I would, under Rule 26, ask you to review the record, and if you find them out of order under Rule 26, that you would ask the member from Prince Albert-Duck Lake withdraw the remarks and apologize to the Assembly.

**The Speaker:** — I'll take the matter into consideration and bring a ruling back to the House.

## **MOTION UNDER RULE 16**

### **Planning Required to Assist Farmers and to Improve the Unemployment Situation**

**HON. MR. BLAKENEY:** — Mr. Speaker, I think it's a tragedy that this Assembly should have to debate a resolution of this type at this point in the government's mandate. It's a tragedy for Saskatchewan and for its people who deserve a better government, and who deserve to have delivered to them some of the promises which were made by members opposite when they were contesting the 1982 election — a government which promised so much in opposition and

delivered so little when they are in office.

After three years of PC government in Regina, we still have no comprehensive plan to assist family farmers. This comprehensive plan was promised by the Premier himself in very clear, vivid language 18 months ago. He promised to open up the provincial treasury to help farmers survive. Now since the Premier made that promise, hundreds of family farmers have been forced into bankruptcy or have had their farms destroyed by the seizure of their equipment or their land or their livestock. And the Premier has done nothing.

After three years of PC government, close to it in Regina, we still have no coherent, long-term, economic strategy to help create new jobs opportunities. And I mention, Mr. Speaker, both the plight of the family farmers and the plight of those persons who are seeking jobs. There are 40,000 people unemployed in Saskatchewan today, 7,000 more than a year ago, 7,000 more than when the Premier declared that he was making job creation the number one priority of his government.

Mr. Speaker, not only have we made many people in Saskatchewan suffer needlessly, but the government refuses to acknowledge the suffering. Some of the people might be a little mollified, things might be a little easier to take if we have a government which levelled with the people, which said: we know these are difficult times; we promise to do everything we can to help. let's join together within the limits of our financial resources to see if we can tackle those problems.

But the government doesn't do that. It pretends that there are no problems. it's lost its credibility. We say that the government is refusing to address the very real problems being addressed by Saskatchewan people. We have a government which says that it can't afford to help family farmers but can afford to pay for 34 international junkets by the cabinet ministers — junkets to places like New Zealand, and Vienna, and Saudi Arabia, and Palm Springs, and Beverly Hills — for which it is very doubtful whether the taxpayers got very much benefit.

We have a government which says that it can't afford to help family farmers, but it can afford to spend millions of dollars on a propaganda blitz the like of which this province has never seen, and one only needs to open up any weekly in the province to see what I'm talking about.

We have a government which says that it doesn't have money to help farmers, and yet its got enough money to spend \$25,000 a month for ministers and senior bureaucrats to spend on entertainment expenses. Now that's a lot of — a lot of food and drink to be consumed by a small group of people — \$25,000 a month.

There's no money for farmers, but there was money, and a guarantee, to Husky Oil for an upgrader.

No money for farmers, but an \$89 million guarantee for Manalta. And for those who say — for those who say that the guarantees don't cost money — a \$32 million guarantee, or an \$89 million guarantee to Manalta doesn't cost money, well I know the farmers will be glad to hear it, because I take it then the government is offering to guarantee farmers' debts.

They can't have it both ways. They can't say that guarantees don't cost money, but we have no money to guarantee farmers' debts. And that's really what needs to be done at this time. We need some money o help farmers. Saskatchewan people deserve that. This industry, which is in trouble, deserves the support of its government.

The Premier claims that he is making job creation his number one priority, and he instances the fact that we're going to have a winter works program. In mid-December we're going to have a winter works program, but none has been announced; no details are know. We know nothing



of the nature of the program. I think that everyone will know that a winter works program which is announced in December, and not in August and September, is little more than a sham.

How can private sector people, who are being asked to provide those jobs this winter, arrange their affairs to hire people this winter when they don't know the details before Christmas. You know, and I know, it can't be done. And you know, and I know, that it won't be done.

We will only have projects which would have gone ahead anyway — for which the taxpayers will now pay a portion of the cost — or the most temporary projects like tree pruning, or painting park benches, or shovelling snow. And those projects hardly are the sort of thing which train people to carry on with permanent jobs.

There will be no long-term job opportunities, or no training opportunities in the make-work projects which will be put together for a winter works program this year.

I think that people would perhaps forgive this government if it admitted that it should be doing more and got on with the job, but it's still pretending that there is no problem. The Premier says we have virtually full employment. He says that really the problem is that people out there don't have skills, and if they had skills they would have jobs.

Well, within minutes of the Premier making that comment last Friday, there were two women sitting in my office, saying, "We are trained. Here are our resumés. Are there jobs?"

And I had a chance to look at their resumés, and these are very, very skilled young people. Very skilled young people, university graduates; in one case fluently bilingual. And this particular person can type, has office skills, is a trained life-guard and swimming instructor, and has a work record indicating that she has worked at every summer she had an opportunity, including, I say to the Minister of Small business, working at Wild Slides for a period.

I look at the other one — an absolutely brilliant young person with a Bachelor of Religious Education from Briercrest bible institute, a grade point average of three out of four, a person who can attend to financial records, can type, can calculate, can edit, is a free-lance artist, was her senior year class president, does volunteer work with the St. John Ambulance association, and has a solid work record.

These people are trained, able young people who can't get jobs. And it's not good enough for the government to say if only people were trained they'd have jobs. These people are trained. They have good work records. They're young people, so their work records are not long, but so far as they stretch they're good, and there are no jobs.

Now what about the family farmers? The PC government claims, and it claimed all fall, that it was going to bring in a comprehensive package for family farmers, and what have we got? We have got a very, very limited moratorium Bill. And the more Saskatchewan people see that, it seems to me, the angrier they get. Angry because it is not a comprehensive package as was promised.

They say it's not enough. It's not nearly enough. Unless a moratorium is part of a larger package which includes if financial help of some kind, it won't solve many problems. And I think that we must underline that fact. A moratorium is part of a package. Financial help is needed. But so far the comprehensive package announced earlier in the fall by the Premier has not involved the expenditure of one thin dime by his government, notwithstanding his promise of opening the treasury.

Farmers are asking, is this all? Where's the money? Is there nothing to write down interest rates? Is there nothing to deal with the problems of grain farmers hit by the drought? And they're saying, if the farmers have problems, and if the government has \$350 billion for the oil companies, why not some money for the farmers?

There are plenty of suggestions of ways in which money could be channelled to the farmers. We talked about a \$30 an acre payment to those who were hit hard by the drought. We talked about a 32 cent a gallon farm fuel rebate. And if the government feels it can't afford these, it might turn its mind to an effective loan guarantee program, or it might turn its mind to an interest write-down.

Certainly the problem of interest rates paid by younger farmers is perhaps the most pressing one on the farm front. The Saskatchewan Wheat Pool, our biggest farm organization, has put forward a comprehensive proposal for a write-down of interest rates, but we have heard nothing from the government. It is time that the government pressured the Farm Credit Corporation to reduce its rates; it is time that the government lowered interest rates charged by its own agencies; and it is time that it met with financial institutions and made an arrangement with them to write down interest rates being paid by farmers across this province.

Those are the things that need to be done. Many more things are desirable, but it is crucial that we attack this interest rate problem. We have pressured the Devine government to do something to put cash in the hands of farmers to relieve them of some of these crushing burdens, particularly the interest burden. So far, no money.

We might also ask the government, which claims to have a good relationship with the government at Ottawa, to ask the Mulroney government to deliver on some of its promises. How about a freight rate roll-back? How about a freight rate roll-back — not sometime in the distant future, but now, effective when the promise was made during the summer. How about a major payment out from the Western Grains Stabilization Fund? That, I think, is something which should come and should come promptly. After all, this is farmers' money and not the money of the Government of Canada.

These are a few examples of what we might reasonably ask the government opposite to put to the Government of Canada. These are things which farmers need. I suggest to you, Mr. Speaker, they need them soon. And we would ask the government opposite to act.

There's a better way, Mr. Speaker, than the one that the government opposite is following. The government opposite, in dealing with the federal government, has shown what can only be called a distinct lack of nerve, because we have not heard any statements by this government opposite that the federal government ought to be acting now. They have remained mum. They have not taken a stand on behalf of Saskatchewan farmers.

I think if the government will admit there are problems, try to work out solutions . . . The public of Saskatchewan know that there's no money tree. They're not going to demand impossible solutions. They do suggest that the government act, and act now to deal with the pressing problem.

I feel, Mr. Speaker, that in the light of the inaction by the government, it is incumbent upon this legislature to make now its will and to ask our government opposite to act on behalf of Saskatchewan farmers. And with this in mind, Mr. Speaker, I move, seconded by the hon. member from Shaunavon:

That this Assembly condemn the failure of the government to provide Saskatchewan's family farmers with a comprehensive plan for survival in a difficult economic period, and further, that this Assembly urge the government to take immediate action to bring rising unemployment under control.

Mr. Speaker, I so move.

**SOME HON. MEMBERS:** Hear, hear!

(1445)

**MR. LINGENFELTER:** — Mr. Speaker, I want to say that I appreciate the opportunity to rise in the Assembly today to speak on the rule 16 motion which was placed on the order paper by my colleague from Elphinstone last Friday. And I think, Mr. Speaker, it's very appropriate as well that, given the fact that we hope to later this day work on Bill 1, second reading of Bill 1, and listen to the remarks of the minister on that Bill, that we would have an opportunity to discuss the farm crisis and the unemployment crisis that we are now finding ourselves in, in the province of Saskatchewan.

Mr. Speaker, I think that it would be appropriate, as well, to recognize in the gallery a number of farmers from Saskatchewan who are with us here today, a group who are here from the farm survival group, who, as well, will be very interested in the dialogue that we will have here on rule 16, as well as on Bill 1, a bill that, Mr. Speaker, all of us who are farmers in the province of Saskatchewan claim to be totally inadequate in terms of dealing with the debt crisis and the problem facing Saskatchewan farmers.

I want to say, as well, that the solutions that were talked about over the last year by the members in the opposition from the New Democratic Party caucus are ones, Mr. Speaker, that are realistic, are believable and, by anyone's standard, are ones that this government should look at and move with very quickly.

The simple idea, Mr. Speaker, that interest rates at 14 and 15 per cent, which the federal government in Ottawa is still charging farmers who use the Farm Credit Corporation, are adequate or low enough simply is not to be believed. Yesterday I was shocked when the federal minister announced that he was lowering the Farm Credit Corporation rate, and, Mr. Speaker, I want you to get this, that he was going to lower them down to 14 per cent.

And I say to the members opposite: I would appreciate if you would stand in this Assembly and explain to the farmers of Saskatchewan how they are supposed to make a living when they have a federal government that is that unresponsive to the needs of the farmers of western Canada.

I say as well, if we look at the Bill that we have before us, and we'll be dealing with later this day, that the whole idea that the banks should be allowed to assist the government in deciding who is a viable and non-viable farmer is not to be accepted at any rate.

I say, as well, that this government is not going the whole way to protecting farmers from foreclosure when they do not include in that Bill a foreclosure moratorium on livestock and machinery. I think the case has been made more eloquently and better by members of farm groups like the survival group, like the Saskatchewan Wheat Pool, like the farmers' union, that attempting to keep your land when a bank has foreclosed on your machinery and livestock is a little short of absurd — that once a bank comes and takes your machinery that you use to seed the ground or to plough the field, that the whole purpose of having your land very quickly disappears. And I believe the farmers will have to decide on their own that there is no sense in staying on the farm.

And I say, as well, that the government here in Saskatchewan's own programs are leading very clearly to the high rate of unemployment and the farm bankruptcies.

We have questioned the minister in charge of the crop insurance program, day after day over the past two months, as to why the pay-outs out of that plan are coming so slowly. And to this day we have received one-third of the total amount of money that will be forthcoming from that plan. And today, Mr. Speaker, is December the 11th. And I don't think there's ever been a time in the history of crop insurance that only one-third of the pay-out was made by the middle of December. And I would appreciate the minister, as well, getting up in this House and explaining how it's a good idea to hold back on the payments to farmers, that here again is their money that

they haven't paid in insurance premiums over the past five or 10 years.

And, Mr. Speaker, if everyone were sharing in this restraint program, one might be able to say, well, we'll agree as farmers that times are tough, and no one can be helped. But December 11th, in the report on business from the Toronto *Globe and Mail*, has a headline that Canadian corporate profits are up by 18.7 per cent. And leading the list are the banks and the oil companies who are making their money, not somewhere else, but here in the province of Saskatchewan. Them, along with the CPR and national railway, are the biggest culprits in causing the problem that we are in, in terms of taking more than their fair share.

And I say that they are being helped along by this government. And I say now is the time that you call in the bankers; you call in the railway companies; you call in the oil companies, and you say to them, "Enough is enough," that record profits at a time when farmers are going broke at record numbers simply isn't acceptable at this time in the province of Saskatchewan.

And I believe that if you had a government with the integrity and the will, that they could bring in the royal Bank, the Bank of Commerce, and sit down with them and arrange an interest program that would allow farmers a 6 or 7 per cent interest rate on their operating loans.

Mr. Speaker, I find it even harder to believe that we would accept in the province of Saskatchewan record bankruptcies and record unemployment, now, as well, in the rural areas. And I gave the example the other day in the Assembly that for the first time in the towns of Shaunavon and Eastend and places in my constituency we have an unemployment problem. In fact, in the town of Shaunavon in the past two months, 20 people, most of them young people, are no longer working at the implement dealer's because there's no business.

And the simple solution to this problem, and I believe that it is simpler than the members opposite would lead you to believe, is taking some of the incentive that is going to the oil companies and giving it to the farmers.

Now, I have heard the minister in press statements say that incentives to farmers won't work. He is quoted in the *Leader-Post* and other press saying that incentives to farmers may not be the solution. Well, the leap in logic, Mr. Speaker, is that the members opposite would believe that incentives for oil companies would work, but incentives for farmers won't. And I want to tell them how wrong and how wrong-headed that idea is. Because I say that if you give incentives to the farmers of Saskatchewan to any degree, if you give incentives even in small comparison to what you're giving the oil companies, the benefits to the small business in Shaunavon, Eastend, and other rural areas will be tenfold more than what it will be giving \$150 million a year to oil companies in only a small area of the province.

I say to the members opposite that when we're looking at the future as well, they seem to think the moratorium on farm land will hold the farmers over till improvements come in the economy. I say, as well, that in the grain quotes from today's Chicago market that the price that farmers will be getting for their wheat next July is predicted on the future market to be 13 cents a bushel lower than it is today. But the problem we're finding ourselves in as farmers is only just beginning. And I say that now is the time for the government to come forward with new and exciting ideas as to how to bring the farmers out of this dilemma they find themselves in.

I say, as well, that in the area of social programs that those who would believe that the economic situation of farmers and unemployed can be separated from the social issues in the province are wrong. Because what we are finding in rural Saskatchewan now is that the government is going around and talking about a crisis situation and family situations where they're talking about putting more money into welfare payments for people in rural areas, more money into transition houses, more money into family crisis, and I say it's true that they have to.

But I believe that most of these situations could be avoided if the economic system were

changed to allow farmers a decent living in rural Saskatchewan. I say that the large amount of money that we are now increasingly paying out as the rolls on welfare increase and have increased, from 47,000 in 1982, when we left office, to 60,000 now, could be avoided if we had some imagination and a belief in the people of Saskatchewan other than in the banks, the oil companies, and the railways.

I want to say as well, Mr. Speaker, that the time for twiddling the thumbs by the Minister of Agriculture and the Premier of this province in hoping that the problem facing agriculture will go away, has long since passed. And we believe that the solution which was offered up by our caucus which included a package which would have put meaningful dollars into the pockets of farmers — a \$30 an acre payment in areas where a drought was severe, in areas where the flooding was severe — that would cost in the area of \$100 to \$150 million. And we believe that that money could, and should be transferred out of the profits of oil companies and banks directly into the pockets of the farmer. There's no secret about how you arrange it. The budget of the province is higher now than it's ever been in the history of the province, so it's not for a lack of money, Mr. Speaker.

**THE SPEAKER:** — I must inform the member his time is up.

**MR. THOMPSON:** — Thank you, Mr. Speaker. It gives me a great deal of pleasure today to rise and debate this motion under rule 16 today. Not being a farmer, I want to relate the problems that we are having in this province with unemployment to the farming problems that we have on the farm.

I think when one takes a look at the type of legislation that this Conservative government brought in on farm foreclosures, the protection of the farm land as they indicate, for one year, I think that one has to ask himself just what does this really mean? It means that there will be a moratorium on land foreclosures for 13 months. But then we have to ask ourselves what really takes place after that 13 months. The debt will still be there, and the interest will still be mounting up on the debt that the farmers who are in serious problems are encountering.

When things go bad on the farm, we notice that things go bad all over the province. As a result, we know that there are a lot of young farmers who are out looking for jobs, and as a result the labour force is getting strained. We take a look at facts that show us over 7,000 more people are unemployed in Saskatchewan today than there was a year ago at this time. We now have over 40,000 registered unemployed and I would suggest, Mr. Speaker, that there are a large number of young men and women who are out on the farm who are unemployed but have just given up on looking for jobs and are not registered.

I think that when you take a look at the situation as it is in the province, we most certainly have to ask ourselves: is a moratorium going to solve the problem without any money going directly to the farmer, as my colleague from Shaunavon indicated, reducing interest on these loans? And I think we have to take a serious look at that because we do have difficult problems today, far more difficult than we had in 1982 or in 1971.

When we take a look the drought situation that we had, the farmers are facing in the South, the floods that we have had in the North-east, and the fact that grain prices are not going up but they're going down, and they're going to be lower next year which is going to mean more unemployed and bankrupt farmers.

When we take a look at the serious problem that we are facing with the high unemployment rolls, up to 60,000 — approximately 60,000 people on welfare. And just to show you just how tough times really are in Saskatchewan now, I was at the AgriDome on Friday night watching the hockey game, and I heard many please that came over the loudspeaker to that crowd of around 4,000 people at the AgriDome, asking them when they came to the hockey game on Sunday night to please bring some food to replenish the food bank. Never, never . . . And I might add, Mr.

Deputy Speaker, the folks that were sitting around me, many of them made this comment: "Boy, things really are tough in Saskatchewan." And I tell you go to a hockey game and you hear that type of plea, over and over, to the citizens to bring food, "Please bring food to replenish the food banks," then you know, Mr. Deputy Speaker, that we have some very serious problems in this province.

And I see the Minister of Social Services. he thinks this is a joke. He's sitting over there and he's laughing. He's laughing about that. But I say there are many, many people in this province who are unemployed and are out there suffering. And I say that this is the situation that we're facing today in this province under this Conservative government, Mr. Deputy Speaker, and it's going to continue that way with a policy that we are facing under this government.

(1500)

They announce a winter works program, Mr. Deputy Speaker, and they announce it in the first part of December. Now just imagine communities who want to plan good projects, projects that are going to be beneficial to their area. What kind of planning can they put in when they don't know what the rules are yet? And all of a sudden the rules are going to come down. They're going to say, "Gosh, we want to get this money out there. There's individuals who are unemployed, who are on welfare, who want to get out and work, and who want a cheque for Christmas. So we want to get some project going."

And what's going to happen, Mr. Deputy Speaker, we're going to go back to 1964 era, '64 to '71, under the Liberal government. And they had a winter works program because things were really tough under that government. So you had projects where they were going around, and they were piling up wood and bring wood along the roads — projects that weren't really beneficial to that area.

But I say, Mr. Deputy Speaker, that there are many worthwhile projects that can be carried out in the winter that can alleviate the serious unemployment that we have. Instead of going out and spraying under all these here power lines, Mr. Deputy Speaker, why are they not taking the power line in each area, in each region, and getting individuals to clear under that power line with axes and saws, and save the wood, or sell it, or give it to senior citizens rather than go in there with sprays, kill the trees, kill the berries; and as a result, the animals that you see that go in there and consume these berries, they also die? It's just total waste and lack of planning.

I think that there's no area that needs more attention than northern Saskatchewan right now. It's a serious problem with unemployment in some area. If you take the professional people out, Mr. Deputy Speaker, such as social workers, conservation officers, teachers, you would have close to 100 per cent unemployment in some of them communities if you take out the professional people. And I say that this is something that cannot be tolerated. It's something that has to be acted upon, and it has to be acted upon as fast as this government can.

But they are not doing nothing. We have people out there who are suffering, and, as I said, there are projects that can be carried out, there's wood industries that can be carried out. We don't have to go up in northern Saskatchewan and spray the poplar trees that they plan on doing. We could go up there and if they want to use that as their winter works project, and they could send people in there and cut that poplar out, pile it, and sell it, as I said, or give it to the senior citizens rather than go in and spray it and destroy the environment in the process of doing it, or taking that chance. And I say that this government should do that.

There are many, many high school students, university students, who would appreciate these types of jobs. There are many, many unemployed people in northern Saskatchewan who would just love to go out in the bush and cut down timber, and we have literally millions and millions of feet of white spruce, jackpine, and aspen not being used.

We have a project in Big River which, with no money to the government, the proposal would bring in 500 to 1,000 jobs in the one project in the Big River area, using private money, and the Saskatchewan Power Corporation refused to buy that excess power.

These are the type of projects that they turned down from individuals who have the initiative in a town like Big River to go ahead and develop it and create the jobs. But they won't give them a chance to go ahead. They will not even give them assurance that they will purchase the power once they get producing it. This is something that is putting Saskatchewan backwards.

But yet, Mr. Deputy Speaker, we have a coal mine down at Coronach, and they go and sell that to a Calgary firm. They sell our coal mine, a Saskatchewan-owned coal mine, to a Calgary firm, Mannix Construction or Manalta Coal, and then they turn around and lease back for 30 years. We are buying our own coal back. That kind of money, that kind of initiative should be kept in Saskatchewan. Let the individuals up in Big River develop the project that they had proposed and, let me tell you, they would create jobs.

There are a lot of small sawmills, as I said, that could be created, and the power lines. Rather than go out and spray and kill the trees by spray, let's get out there and clean them up like they do in the Scandinavian countries and use manual labour and do a good job of it, and then you save the material that you are cutting down. All these projects create jobs.

Mr. Deputy Speaker, I think that this government, if it's really sincere in solving the problems, if it's really sincere with the new manpower secretariat that they have formed, and . . .

**THE SPEAKER:** — Order. The member's 10 minutes is up.

**MR. MARTENS:** — Thank you, Mr. Speaker. I'd like to discuss this point that has been brought to our attention today by the Leader of the Opposition, that the Government of Saskatchewan should be condemned on its failure to address the problems in agriculture.

I want to first outline to you some of the things that I think that are typical of a lot of the people in Saskatchewan, and that is that, number one, the farming community in the province is a very resilient type of people because they believe in hard work, they believe in their own integrity, they have initiative that goes out and says that I will, at all odds, grow this grain, or raise these cattle, or feed out these cattle, or raise sheep.

And I think that this is not the first time in the history of the province of Saskatchewan that this has been a problem, and I just want to go into the background of some of these farmers. A lot of them came to this country in the early 1900s, and they settled here with nothing. And they were prepared to take on this country, prairie and winds and fire and all that sort of stuff, at their own expense, and work hard and get it done.

And that's my heritage, and I'm proud of that. And I want this government and the people opposite to also realize that the necessity of maintaining that is important. And that's been my role in the caucus, and I'm proud of what this government has done in blocking off some of the problems that were beginning to come, not only in the 1980s, but in the 1970s — in the mid-'70s.

Mr. Deputy Speaker, my farm had, as its major production, cattle. And if anybody had, as an income, the livestock industry in the mid-'70s, I'm sure they know that that was just a downhill track. From 1975 on, when there were 1.25 million cattle in this country, in this province, and the reduction . . . What did it do to my livestock industry? It just went and smashed it all to pieces.

Today we have 800,000 cows, and what has it done for me? It's finally stabilized it. But I've been living under those circumstances for the last 10 years, and they wouldn't even be prepared to understand it because they wouldn't even let their agriculture critic speak about the tough times the dairy producers were having during the strike of the Dairy Producers Co-operative, and the

other agencies that were handling the milk for the producers.

And I say that they stand here, and they tell us that we're doing it wrong. I just want to outline to you today some of the things that I think we're doing right. And I don't believe that we could, with \$30 an acre, fix the problem that is out there — \$30 an acre would be a \$1.5 billion shot that would cripple, totally cripple, the Government of Saskatchewan, whether it was NDP, whether it was Liberal, or whether it was Conservative.

They're not even creative in their assessment of what the solutions to the problem would be.

I want to outline some of the things that we have done in key areas as we go along, and I want to identify them. I spoke about them in my throne speech address, and I'm just proud to be a part of that government that would identify certain areas and speak to them.

First of all, we did something in this province when we became government that said, "Look it, we want to make things more comfortable for you as far as taxes are concerned." We did. We lowered the tax on gas, and that prompted some things like the minister of revenue and supply to point out some things in a ministerial statement the other day that SGI had come with a profit of \$25 million and is going to give that back to the good, safe driver. That's number one.

Number two. We have lobbied with Ottawa to put a lowering of the tax on diesel fuel. That's number two. And it worked.

Number three. We have initiated a program where we're going to rebate the home quarter tax to the people of Saskatchewan who live on their farms, who live in town and farm out there. They can identify one, and we're putting \$14 million back into there. The government paid out to the north-east part of Saskatchewan another thing that was necessary because crop insurance didn't cover the problems that those people had up there. They put in another 7.2 million, and the federal government are discussing whether they're going to match that. The ongoing discussions that we have with them are a very important feature.

The pay-out of transportation directly from the member from Shaunavon's seat, who probably uses it more than anybody else, 1.5 million is being used to transport cattle out of that area into the northern parts of Saskatchewan where they have access to feed and to fodder and all those kinds of things.

Together with our government and the government of Alberta and the government of Manitoba and the federal government, we initiated a program of pay-out for cattle for \$48 a head, and you just go ask the people out in the country whether they don't like that. They do, and they recognize that that is a very major contribution to their style of earning a living.

Crop insurance. Crop insurance is another area that we've been criticized on, and I just want to say that, when did they ever get their settlements as outlined by the minister of crop insurance that they were going to have them done by the 31st of December? They go on as far as the middle of February and have had that in their program. We said we would do it, and we're going to pay out \$250 million out of that program, and they probably didn't even pay out half of that, and maybe even a third of that, and it took a lot longer.

A member of my constituency went out when the member from Shaunavon made that speculation as to what our pay-out was going to be. He went and asked 11 farmers whether they were going to take their crop insurance now, or whether they were going to defer it. And, Mr. Deputy Speaker, do you know what he said to me? There was only one person that was going to take the pay-out in 1984. All the other 10 were going to defer it. And that, Mr. Deputy Speaker, tells me something else. They're going to also take that money that they can get from crop insurance and put it in there.



What's western grain stabilization going to do? I just noticed in the paper yesterday Otto Lang predicting a million dollar pay out in crop insurance, and I think, Mr. Deputy Speaker, — in western grain stabilization, I'm sorry — that that is a very major commitment, because Mr. Land knows that that is a program that is going to do that because he made the program, and that's why he can say, "I think it's going to pay out a million dollars." There isn't a million dollars in the fund, but it's going to have to pay that out because it's going to have to borrow from the federal treasury. That, Mr. Deputy Speaker, is going to put a lot of money into the hands of the farmers of Saskatchewan, and I hope it does.

I just want to go on another area. What has the contribution of the farm purchase program made in Saskatchewan? If you take and check the history of Farm Credit Corporation in 1981 when they did their annual report and sent a survey, you'll find that if we would have followed the normal pattern of the three prairie provinces, we would have gone down in all of the value assets in the province of Saskatchewan. We didn't. Alberta went down 5.9 per cent; Saskatchewan went up 16 per cent, and Manitoba went down three.

(1515)

Now that's the reason why it didn't, is because our farm purchase program was doing the job that it was meant to be. It was maintaining the price of the farmers' assets. It was maintaining my value, and not getting the farmers in Saskatchewan into trouble because their banks were foreclosing on their assets. That, Mr. Deputy Speaker, is a very key issue in dealing with farm production in this province. In my seat alone we spent almost \$600,000 in interest rebates to farmers — 103 participants, and about \$50,000 average on every farm.

I just want to say one other thing to you here today, and that is that I find it extremely disgusting when the strike for the dairy producers was on, and the agriculture critic was not even allowed to stand up in this legislature and debate it from the prospective of agriculture. And I think that that's disgusting.

And who did it? It's the Leader of the Opposition, and the House Leader, who himself is a farmer, would not allow his critic to stand up and say anything in defence of the dairy producers.

I just want to say something about the creation of jobs. In creation of jobs, I think that the opposition have really not identified anything of major consequence. They criticize us for energy policy when that energy policy has provided . . .

**THE SPEAKER:** — I'd like to inform the member that his time has elapsed.

**MR. MORIN:** — Thank you very much, Mr. Deputy Speaker. I'd like to participate in the debate today, and, while my colleague from Morse has handled the agricultural portion of this resolution very well, I'd like to deal a little bit with the economic parts of it, particularly as it deals with unemployment.

I think, Mr. Deputy Speaker, before you can really get too involved in talking about unemployment and the economy, you first have to understand the economy and understand how you're dealing with it and where you're going with it. And I think when you arrive at that proposition, you have an opportunity to look at our view of the economy and how the economy ought to work, and you have an opportunity to look at the NDP view of the economy and how the economy ought to work there.

In our view of the economy, Mr. Deputy Speaker, we have strong, intelligent people who, given a little bit of encouragement and opportunity, will go on and be viable and prosperous and will develop and be self-sufficient, and will do a good number of things toward looking after themselves and toward contributing to those people who are less capable of looking after themselves.

And in the NDP view of the economy and human life, you seem to have a view that people are very much a commodity in themselves and that if they're not shored up and coddled along at every step of the way they'll be absolutely worthless and useless.

And when you roll that into your perception of the economy and how it should run, you have in their part Crown corporations foundering and on their knees at every turn, and in our view you have a number of very strong individuals and strong corporations and people looking after their future and their destiny in contributing to the growth and development of the province.

Following up upon that view, what types of things make an economy happen? And firstly, I think, when you're talking about an economy, the very first thing is that you have to have someone supplying goods. You have a supply of goods. You have someone demanding them. You have an exchange. And then you have the beginning of an economy.

If you agree with that view and you want to stimulate the economy, then you should be asking yourself: what types of things are impediments to the economy and to the supply of goods? And certainly some of them are interest rates, tax rates, the ability or the inability to pay wages, and those types of things.

What have we done to address those impediments in the economy, Mr. Deputy Speaker? I'd like to take this brief opportunity to run through a number of the programs which have been introduced by the Department of Economic Development and Trade.

To being with, when we took office in this province we wanted to create the proper climate to allow people to develop the economy and to grow, and in order to do that we forwarded Saskatchewan as a location for business development and for investment. And in addition to that, we tried to expand the export potential of the industries that we already had here within the province. And further to that, we looked at the province and at the business community of the province and we thought that it would be a good idea if we began to consult with them to see what their needs were and to see how we could meet those needs.

Dealing with one of the impediments to supplying goods and to doing business, we removed the tax on gasoline. Certainly in a province like ours, where transportation is a major component of every good that reaches market, the reduction of transport fuel by 20 per cent has to be a very, very major factor for the entire economy. Goods are delivered to market more cheaply, they're then offered more cheaply, and you have the opportunity for more exchange and interchange of goods, therefore allowing for a greater employment of people because of the resultant activity.

In addition we eliminated the tax on manufacturing and processing for small manufacturers, and we did that in an attempt to stimulate the manufacturing and processing industry which, for the years 1971 to '81, did not change at all in the province. And allowing them to be more competitive by the saving of that tax has had a great impact on the province.

We removed the sales tax for the development of prototypes, and, prior to my becoming involved in politics, I worked with a fellow who developed a prototype of a wild rice harvester. This harvester has been used in the North now for a number of years. And I know the difficulty that that man went through trying to collect capital, trying to pull the money together to just develop his idea, let alone compounding that problem by forcing him to pay tax on the goods that he was putting together for basically an experimental project. We've done away with that. There'll be no need of that in the future. And it creates a bit of an investment and an inventor haven in our province which will pay dividends down the road with new goods being developed, new products being developed, and it does show the whole attitude and intent which we have within our government.

Dealing with wages and the difficulty of generating enough capital to pay wages, particularly

when you're a new business, we developed the industrial incentive program. And that program, during the 12-month period that it will run, will create 1,500 jobs, Mr. Speaker, in the province. It will stimulate \$40 million worth of capital investment. And that is no small achievement.

Further along the line toward expanding employment opportunities within the province, what we've done is made a major inventory, a major products inventory list, and there are \$9 billion worth of major projects being undertaken within the province at this time.

Now in the old days under the former government, whenever they were embarking on a major project, and there were few of them, what they did was simply contract that project out to whomever could handle it, and, because of our population and our size and the way our population is spread around the province, we don't have a whole bunch of very large corporations who can handle a multimillion or billion dollar project. What we've done through the Department of Economic Development and Trade is to break down those projects into components, so that we can reduce the size and the magnitude of each one of the components to allow local and provincial business people to participate in them, so we can develop and proceed from there.

And, Mr. Speaker, what has the result been of these things which we've indicated that we've done? Well, we hear talk about unemployment, but we don't hear very much talk about employment, and I'd like to deal with that for a minute because — and I quote from the November labour market review:

As is normal this time of the year, the labour force decreased in size. However, the labour force still contains 10,000 more people than it did one year earlier.

Now, Mr. Speaker, we've had a drought. We've seen internationally difficult times. And in spite of those things our labour force has been increasing at practically 1,000 people per month.

And if we go along and we look at further specifics as we break down the labour force and analyse it, what we'll see is the participation rate higher than average in Canada. We'll see the participation rate increasing and, in fact, 5 per cent higher or 0.5 per cent higher at this point in time this year than it was a year ago.

If you look at youth unemployment, you'll find the participation rate among youth is higher than it was a year ago at this time. And yet we hear nothing about these good news and good statistics from our friends down the road here.

And when you look at the number of employed labour force, it's very interesting to note that we are, in fact, 2,000 people lower in the agricultural labour force this year than we were a year ago. But we have had a drought and we've had an early winter. And people recognize that tends to put people onto . . . out of work in a cyclical economy like we do have.

But what about the other sectors? When you turn to the manufacturing sector — a sector which for 10 years, from '71 to '81, stayed constant in employment — we have an increase of 3,000 people over this time last year. We have an increase in transportation and utilities of 1,000 people.

And certainly, Mr. Speaker, that reflects on the amount of goods being sold and being developed around the province because we are in the type of province which demands transportation to move those goods around. Therefore, if transportation . . . if the employment level in the transportation industry is increasing, that has to be a reflection that there was a lot of activity going on and people moving goods.

And finally, if we move on a little further, we see that the service sector has increased 11,000 jobs year over year — November of '84 over November of '82. And what that does is point out the

confidence level that's rolling around in the province.

I can see the confidence and optimism.

**SOME HON. MEMBERS:** Hear, hear!

**MR. HODGINS:** — Thank you, Mr. Speaker, and fellow colleagues. Mr. Deputy Speaker, it gives me a great deal of pleasure to speak on the subject of farming and certainly the subject of jobs. They are without question two of the most highly important topics that could be addressed in this legislature.

I want you to know, Mr. Deputy Speaker, that I do make my, part of my living certainly dealing with farmers. I do a great deal of travelling throughout this province, certainly in the province of Manitoba, and somewhat in Alberta.

Mr. Speaker, the farmers of this province I believe, as has been said before, are the salt of the earth. They are a very, as has been mentioned, a very resilient group of people, a very ingenious bunch of people.

And, Mr. Speaker, I believe I'll deal with the first part of the motion, that being farming, because it is my firm belief, Mr. Deputy Speaker, that if you fix the problems in agriculture the problems of jobs will look after themselves. If you have any experience living in small-town Saskatchewan, you will very much understand how very dependent small business and industry is on the farming community. So for that reason I will keep my remarks mostly with respect to agriculture.

I have to concur, Mr. Speaker, that there are problems in the agricultural sector. I don't think that's any surprise. I don't think it's even debatable. There certainly are problems in the ag sector. But I think it's important, Mr. Deputy Speaker, to understand that these problems did not occur overnight. They didn't happen last year or the year before. They have been a long-range problem that has certainly increased in the last number of months, and it's important to understand that those problems will not be solved overnight. I believe there are members of the opposition who tend to think that perhaps agricultural problems can be solved overnight. Perhaps those same types of people buy lottery tickets. I don't know, but it's a long standing problem, Mr. Speaker, and I'd like at this time to review some of the things that our government has done to help solve those agricultural problems.

And so let's, one at a time, look at some of the problems that have caused the crisis in the ag sector today. I take an example of in my home constituency a problem with wheat midge. Certainly that was a big problem to farmers out there. They had to spray their crops, sometimes once and sometimes twice, at a cost of something like \$22 per acre for two sprays. And, Mr. Speaker, it's very important that our government responded to that problem, and I understand that there was some \$165,000 that was committed by our government to research the problems of wheat midge. I believe that you can call that a responsive government, a government that is very concerned with agriculture.

Let's look at another problem that has caused the financial crisis: drought. Well, there is a good portion of the province, as you well know, that suffered a drought this year. Our government adopted a program, the drought assistance program. It was a three-fold program that . . . I'm just not sure of the exact figures of how many dollars, Mr. Speaker, but it was considerable. Here again, I have to emphasize that is what you call a responsive government, a responsive government to the problems of agriculture.

(1530)

I take a look at another one of the causes of the crisis in agriculture and that is flooding. That happened primarily in the north-east, of course, and as you well know, a north-east flood

compensation program was undertaken. And I understand that program committed some \$10 per acre to over five R.M.s, to about five R.M.s. Here again, Mr. Speaker, I don't think you can debate that we are not being responsive to the problems in agriculture.

Some of the other problems have been caused, and I don't think that's any surprise, but probably by some financial mismanagement or financial management. Farming is becoming very much a very complex and complicated industry, and some farmers have had difficulty in their financing. Well, the counselling and assistance program was undertaken whereby government-guaranteed loans were sponsored by our government. And here again, Mr. Speaker, here again, Mr. Speaker, I think we are being very responsive.

There are some farmers, Mr. Speaker, and here again I don't think this is any surprise, but there are some farmers who were in problems because they were too highly financially leveraged. Some farmers had perhaps too much equipment or too much land or were not fiscally responsible.

Mr. Speaker, I don't believe that our government or any government can solve all of those types of problems, but for the farmers who do prove it to be viable, who do have short-term problems, our government is very, very much committed to helping those farmers with those problems. I think that that was very much evidenced by our recent Farm Land Security Act, and I believe that that will give a cooling-off period and will enable those farmers to restructure their debts to go and have another talk with their banker and sort out some of their problems.

So I think, Mr. Speaker, that we have been very responsive to the problems in agriculture.

Another cause of the problems, without question, Mr. Speaker, are interest rates. And I don't believe it is this government's position that we can, on a province-wide scale, reduce the interest rates to a reasonable level, but, for some farmers, for a good many, I believe something like 3,500 farmers, interest rates were rebated from probably 12 or 13 per cent down to 8 per cent in our farm purchase program.

For the other problem, the general problem with interest rates, Mr. Speaker, that did not start yesterday. The Leader of the Opposition stated a few moments ago that he wants us to write down interest rates. Well, Mr. Speaker, I think it's very important that we understand that when farmers needed a write-down of interest rates, when interest rates were at a rate of 18 and 19 and 20 per cent, the opposition, or the then government it was, the NDP, did absolutely nothing to help them with those interest rates. They didn't do a thing. And I compare that, Mr. Speaker, with our interest rate reduction program for home owners, with our interest rate reduction program in the farm purchase sector.

Mr. Speaker, I think the farmers of this province have a great deal of confidence in us. I believe that they know that they have a friend in our government. And I think that that's very important, Mr. Speaker. I don't believe that there's enough money in the treasury to bail out all farmers, if you like, and I don't think they want that, Mr. Speaker. But what they do want is some confidence in their government. And I believe, unlike the Leader of the Opposition and his group over there, I believe that the farmers of this province, they have that confidence in us, and they don't want a bail-out, Mr. Speaker. They want confidence, and they want some help, and our programs, I do believe, have indicated to the farmers that we do have a long-range commitment to the farming sector.

The farmers of this province, Mr. Speaker, they do understand that we are in a recession. This is a North American recession, and I don't think they are gullible enough to think that we can fix that up right overnight. They understand, Mr. Speaker. What they want is a long-range commitment from our government, and I am most certain that most farmers in this province believe that we do have that long-range commitment to them.

I could go on, Mr. Speaker, with a host of other government programs that indicate our commitment to the agricultural sector. The expansion of the Agricultural Credit Corporation is, I think, a very, very good example. As you well know, there was a number of expansions in that ag credit corporation, somewhat of a reorganization, and I can tell you, Mr. Speaker, that it was well received in the Melfort constituency. Numerous phone calls and appointments were held at my office discussing the expanded role of the ag credit corporation.

Feeder association loan guarantees were another program adopted by our government which were, as well, very well received out there in the agricultural sector. There are others, Mr. Speaker — the home quarter school tax rebate. I well confess that it wasn't a great deal of money for each and every farmer, but it probably amounted to something like 200-and-some dollars per farmer. That's \$14 million of assistance to the farm sector. And I don't think that can be debated as being good for farmers and good for the small-business sector. As well, \$14 million extra of disposable income in this province is certainly got to be good for the province as a whole.

The Livestock Investment Tax Credit program — well, there is a program here again that was well received and one that the farmers of this province, I believe, believe quite firmly in.

Irrigation grants, Mr. Speaker, were certainly not adopted by our government. They were expanded upon though, and I believe that there was some 425 applications were approved just last year.

Mr. Speaker, in summary, I would like to once again say that I don't believe that we can solve the problems of agriculture overnight. I don't believe that any . . .

**THE SPEAKER:** — Order, please. It is my duty to inform the member that his time has elapsed.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SHILLINGTON:** — I will have a few words to say on agriculture before I'm finished. No person can carry on business in Saskatchewan or talk about the Saskatchewan economy in a meaningful way without at least dealing in passing with agriculture.

I am not the agriculture critic obviously from our caucus, but, as is the case with every urban person in -Saskatchewan, I am affected by the agricultural economy. And most Saskatchewan people recognize that.

During the last federal election, I canvassed a half a poll every evening, and I was surprised at the number of my constituents who wanted to talk to me about the drought. It didn't affect them directly, but they all understood that in an indirect way it did affect them . . . (inaudible interjection) . . . Well, it seems to have worked. It seems to have worked. In fact, it seems to me a member of your staff can testify how well that material worked.

The unemployment was a problem before this summer. In 1971, the former government took office in a period of a very severe agricultural recession and high unemployment. I can still remember the former member from Maple Creek speaking in a throne speech debate, suggesting that the emblem of Saskatchewan during the Thatcher regime should have been a moving van since that's what every child came to associate life in Saskatchewan with.

During the 1970s, with a mixture of public and private enterprise, a very strong Saskatchewan economy was developed. Saskatchewan in the 1970s went from a have-not province to a province with a strong economy. One of the economic . . . strengths within confederation.

In April of 1982 this government began to unravel that mixed economy as quickly as they could, and we saw during the summer of 1982, when this House was in session, one project after

another which involved government participation stalled. The phrase "paralysis by analysis" came to be associated with this government.

And as we were to find out later, there was nothing workable to replace that mix public and private economy which had built up during the '70s and which served so well.

What this government came up with was an open-for-business economy, an open-for-business approach. There's nothing very new about the open for business. I have in my office an open-for-business pamphlet inviting people to come to Saskatchewan. The motto is, open for business. It would surprise you, Mr. Speaker, to know that the premier's message on the inside cover of the pamphlet is not signed by the current Premier. It's signed by Ross Thatcher. He had an Open for Business Conference. He had a motto, open for business, and his was just as successful as yours has been — a complete and total failure. And Ross Thatcher left the province in far worse condition than he found it. It has been true over the last four decades.

In the mid-1940s the CCF came in, took over a province which was bankrupt, and said, we're going to do it for ourselves. We are going to develop our own economy with a judicious mixture of public and private investment, working through small business, and they did.

And when the CCF left office in 1964, Saskatchewan had the highest per capita income in Canada. I've still got that copy of the *Financial Post* because on the same page of the *Financial Post* there's a prediction that Woodrow Lloyd would have to go out and shoot women and children in the streets of Regina to lose the 1964 election. He didn't. But he did.

Then along came the '60s, and we had the open-for-business approach which is a call for outsiders to come and do the job for us. The whole open-for-business philosophy suggests that we are incapable of doing it for ourselves. It's a clarion call to big business to come and take the best that we have to offer.

Even this government will not, from their feet, defend open for business. There is not a single significant development to be attributed to open for business. and what is more serious for this government is that there is a recession in Canada which is beginning to pick up steam and by next summer, I think, will be in full flight. What this government faces is a softening Canadian economy grossly aggravated by a collapsing agricultural industry, and it is not too strong a term to suggest that the agricultural industry in this province is in a state of collapse.

What should have been done? Well, one would have thought that a government which a year ago in November of 1982 said that the number one priority is unemployment, and which said in the budget in March of '84 that creating employment will be the priority of this budget, and then in September of '84 after a cabinet think-tank suggested that the priority of the government had to be unemployment, you would have thought by December 11th of the winter we would have had a winter works program. And what we have is nothing but silly, inane answers from the Premier and from the Minister of Justice who try to explain away what is patently a serious employment program by suggesting that the facts are other than what they are.

The facts are that in the spring we had the seventh worst job creation in Canada. By July and August that had become the eighth worst job creation record in Canada. It was apparent to many thoughtful observers that with a drought and with a difficult agricultural economy it was going to get worse and sure enough it did. We now have the ninth worst job creation record in Canada, and we have nothing that approaches a job creation program.

There are many things that this government should be doing. There are some capital works programs which are badly needed. I said the other day that the university of Regina has the only building, I'm sure, in the civilized world with an eaves trough inside the building because the roof leaks so badly the eaves trough is needed to carry the water to a slop pail at the end of the hall. Any of you who doubt the accuracy of that story, id be glad to give you a guided tour of the

University of Regina buildings.

Nursing homes are so overcrowded that the backlog has backed up into the hospitals to the point where hospital beds are hard to come by, not because there's a deficiency of hospital beds, but because there are nursing home patients who are still in hospitals.

Clearly in the short run this government should be building capital works programs such as nursing homes and universities which are badly needed. In the long run a more constructive approach is needed than simply a capital works program. In the long run we need to get a good deal more revenue from our resources.

(1545)

Any government that gives away \$300 million to the oil companies is going to find itself . . . (inaudible interjection) . . . Well, I can see that members opposite a little sensitive about the oil royalties. I would be, too. If I were a member of a government which had not a thin dime for farmers, if I were a member of a government which there's not a thin dime for farmers and \$300 million to oil companies, I tell you I'd be awful sensitive about what I'd done for oil companies. If I were a member of a government which had a \$100-million loan to a company that wants to buy a coal mine and nothing to assist farmers, not even to keep a promise made during the election that you'd have low-interest loans, then I'd be awful sensitive about the subject, too.

Clearly we need that, Mr. Speaker. We need to get . . . We need, as well, to do something for small business. This government has completely neglected main street, the whole open-for-business philosophy, and it is a clarion call to big business to come and do it for us.

I say, Mr. Speaker, that is not the Saskatchewan way. What has worked in Saskatchewan is when we've had a government which has said, we are going to work with the people and with small business and do it for ourselves.

**THE SPEAKER:** — Order, please. It's my duty to inform the member his time has elapsed. I recognize the member for Rosthern.

**MR. KATZMAN:** — Today in Saskatchewan the farmers are receiving more assistance from their government than at any other time in history, both by ways of cash of \$150 million from programs put in by this government, and by other programs to assist them in counselling and to assist them in looking after their industry.

The member who just spoke said nursing homes. It was that government that he represented in this House that forgot about building nursing homes and built only things to represent them and to win votes.

**AN HON. MEMBER:** — They put a moratorium on . . .

**MR. KATZMAN:** — They put a moratorium on them.

Mr. Speaker, my time is limited. This government on this side brought in a farm purchase program, a feeder-finishing program, home quarter tax returns, lamb assistance, green feed storage program.

**THE SPEAKER:** — Order, please. It is my duty to inform the Assembly that the 75-minute time



period has elapsed.

## MOTIONS

**HON. MR. BERNTSON:** — We have one of those informal and loose arrangements between the opposition and myself, and in the interests of moving right down the order paper . . . (inaudible interjection) . . . Well, okay then. I won't include you in this deal. I would recommend that we stand motions 1 through 17 inclusive.

**THE SPEAKER:** — Motions 1 through 17, stand.

## MOTIONS FOR RETURNS (Debatable)

**HON. MR. BERNTSON:** — Motions for Returns (Debatable), Mr. Speaker, I move that we stand 1 through 4 inclusive, Mr. Speaker.

**THE SPEAKER:** — Motions for Returns (Debatable) 1 to 4, stand.

Motion agreed to.

## GOVERNMENT ORDERS

### SECOND READINGS

#### **Bill No. 1 – Act respecting the Security of Farm Land in Saskatchewan**

**HON. MR. HEPWORTH:** — Thank you, Mr. Speaker. There is not ever a happy time to introduce a Bill such as this in the legislature, Mr. Speaker. This is a very serious and sober time for the people and the farmers of Saskatchewan. Whenever this kind of move is contemplated, you know the situation is serious in agriculture.

And to set the stage, Mr. Speaker, for this legislation, I would like to take a brief walk through history going right back to the early years of this province. After that I would propose to get into some comment on the provisions in the Bill and, towards the end, make some general comments on the principles of the Bill itself.

But before I get into any of that, Mr. Speaker, I would like to take this opportunity to thank not only the officials in my department but officials in other departments as well for their tireless efforts in not only in terms of drafting this legislation but as well in putting up many and several policy options over this past several months for my colleagues and myself to review, and as well their assistance during the time of consultation when we canvassed the views of many out there. And I would particularly like to acknowledge those in my department right on down from the deputy minister, Jack Drew, right on down through the rank and file.

If we go back in history, Mr. Speaker — in fact, we can go right back to 1914 and find the first records in this province of debt adjustment, debt moratorium, that kind of legislation. And of course the scenario and the backdrop at that time was not so much what was happening in the agricultural sector in Saskatchewan but in fact what was happening in the world and of course that was World War 1.

And that set the stage in 1914 for this kind of legislation. After that, and through the next 12 years, Mr. Speaker, with some weather-related problems out there and some economic problems, that kind of legislation was continued right through until 1926.

Then as we all know, during the '30s, when we had a period of depression and drought, we had various and sundry forms of debt-adjustment legislation with or without the back-up of debt moratorium.

That culminated, many would suggest, finally in 1943 when, as a result of an Alberta supreme ruling on some Alberta legislation by the Supreme Court, much of that legislation was struck down and of course, at that time, saw a good many pieces of legislation in this province come forward, and I think of one in particular — one, in fact, that this legislature has dealt with on a regular basis since 1944 — and that Bill was, in fact, The Farm Security Act, and it's been amended and extended from that day forward on an either two or three-year basis.

Then if we walk a little further in history, Mr. Speaker, we can go back to 1971 in this province when at that time it was not drought, it was not depression, it was not a world war that led to full-blown debt moratorium legislation being put in place, but it was rather a glut on the world wheat markets. We saw depressed prices, and we had no quotas.

The Bill that was introduced by the attorney general of the day then, the hon. Roy Romanow, was a full-scale moratorium, a piece of legislation, one that he himself described as experimental. And now that brings us, Mr. Speaker, forward to 1984, and during my remarks today I will lay out the backdrop for the Bill that's before us and the rationale behind it.

But I couldn't help but think when I was looking through the past history of debt-adjustment, debt-moratorium legislation — and as I said in this House only a couple of days ago, that in some ways only the names and the places and the dates have changed — one-half decade ago, almost to the day, Mr. Speaker, the hon. T.C. Davis, the attorney general of the day, on November 26, 1934, speaking in second reading, not to debt-moratorium legislation specifically, but to a debt-adjustment Bill, made some remarks that, in fact, Mr. Speaker one could almost use verbatim for today, and they would be equally as applicable today as they were then.

And I would just like to share some of his thoughts at that time, one-half decade ago in 1934, with the Assembly here, and I quote. And of course members will know that at that time in this legislature, there was no official *Hansard*, and I take it that because this issue was of particular importance to many, many people in Saskatchewan — there were approximately 128,000 farmers at that time — that is was, in fact, recorded and has been preserved by our legislative library — and I would congratulate you, Mr. Speaker, on the fine renovations to it, and on the recent opening — has been recorded in the annals of our library in these small portfolios, and I will quote from his second reading speech of November 26, '34, at least parts of it, and I quote:

Agriculture is the basic industry of Saskatchewan, and by peculiar coincidence this period of depressed prices for agricultural products has been accompanied also by the severest and most intense drought that western Canada has ever experienced.

Then too, associated with the drought, has been the affliction of grasshoppers and other pests disastrous to agriculture. As a result, the value of agriculture production in many instances during the last few years has been wiped out, or seriously curtailed.

And then he went on to describe the debt problem, Mr. Speaker. And I quote again:

The problem, therefore, with which we have to deal, is largely a problem of debt incurred prior to the Depression and prior to the drought period.

And I think, Mr. Speaker, that's an observation that would be equally valid today.

During this whole time (and I quote again) by reasons of depressed prices and lack of production through drought, there's been very little reduction in debt by payment. But, on the contrary, there's been a large increase through the addition of interest which our people, through no fault of their own, have been unable to pay.

Once again, Mr. Speaker, I think we can relate with that comment in 1934 and what's happening today.

Another heading in his speech at that time was entitled, "Farmer's equity shrinking," — certainly a situation that we face today. And I would quote from a comment under that section of his speech:

We must remember that these debts were incurred at a time of high price levels and under conditions which those who borrowed the money, and those who loaned it, reasonably believed would continue.

I pause, Mr. Speaker, because I think it's important here to note that back in 1934 the same situation existed as I would suggest has existed through the halcyon days of the '70s and the early days of the '80s in this province. The lenders loaned to their clients, the farmers, money on the belief that things would continue as they were, and I suspect the farmer borrowed on that basis, too.

And I continue:

They believed, unreasonably, that the conditions which prevailed when the money was borrowed and loaned would continue on an even keel during the period over which repayment of the debt would be made. In other words, no one anticipated the drastic drop in prices of farm commodities and the total lack of production in the drought area of the province.

And I'll go on, Mr. Speaker, very briefly — another section of the speech, and it's so apropos to today, was entitled, "Keep people on lands." And that's what this legislation's all about, Mr. Speaker. I'll quote from one section that — and this is extremely important because this gets down to the very heart of this legislation, and I quote:

We must of necessity maintain the morale of our people and appreciate the fact that a man who sees his debts ever increasing, through no fault of his own, and sees gradually slipping away from him everything he has in the world, has not the heart nor the spirit to continue the battle against the conditions which presently prevail.

And how true that is, Mr. Speaker. How true that is. He further went on to outline during the second reading speech that day, a history of early debt adjustment and the first debt adjustment board, and so on, and so on. And I won't go into it in any greater detail, Mr. Speaker, except to say that many of those remarks are contained in our legislative library.

And I want to suggest that because this is a very serious piece of legislation, it is one, Mr. Speaker, I would suggest that is too important for simplistic analysis. I would suggest that it's too important for the twenty second news clip. I would suggest, Mr. Speaker, that it's too important that it should not be viewed in isolation, but rather this should be viewed in the context, Mr. Speaker, of: how does this dovetail with the existing safety nets out there and the other sorts of programs that we can expect to hook into in the next six months or a year or whatever?

And by those, Mr. Speaker, I specifically would urge all members of the legislature to look at this legislation in light of: how does this legislation sit when we think in the next six or eight months that, number one, crop insurance will have made a massive pay-out to Saskatchewan farmers? The second major insurance or safety net out there, Western Grains Stabilization Fund, may well have made a very substantial interim payment. And I'm not going to float numbers out there as to what that could be. We saw yesterday, I think, in a recent newspaper, daily newspaper, in this province, some are estimating a \$1 billion pay-out from the fund for this year, and I would suggest, Mr. Speaker, that that estimate is probably not too far off.

(1600)

**AN HON. MEMBER:** — A billion dollars.

**HON. MR. HEPWORTH:** — I agree, and I would say again that, although I'm not prepared to float out concrete numbers because I don't want to unnecessarily raise expectations, I do believe, number one, that we are going to get an interim payment, and that's more than we ever have had in terms of co-operation from federal governments before; and second, that it will be a handsome one. And also, Mr. Speaker, I think it's important to look at this legislation in light of the fact that also we could expect a handsome final payment early in the new year.

To get to the Bill in a more detailed way, Mr. Speaker, I would say, first of all, that I view this as an historic piece of legislation but, more importantly, I view it as a reasonable, responsive, and responsible piece of legislation. It shows compassion and understanding for the financial plight of today's farmers. It will keep, as Mr. Davis said 50 years ago, it will keep Saskatchewan farmers where they belong: on this land. Keeping Saskatchewan farmers on the farms; that's what this Bill is all about, and that's what this Bill does.

Mr. Speaker, less than one month ago, on November 9, our Premier, Grant Devine, addressed the people of Saskatchewan on province-wide TV. During that speech, which captured the attention, admiration, and vision of some 400,000 people in our province, our Premier said, and I quote:

This government will not allow our farm families to be chased off, or forced off their land because of a bad crop. Saskatchewan has tens of thousands of excellent farmers and top-notch farm managers that we respect and we will defend, no matter what it takes. They will not lose their land.

End of quote, Mr. Speaker.

That was the commitment Premier Devine and our government made to the people of this province. That was the commitment we made in April of '82 to protect and preserve the family farm, and with this legislation we are delivering that promise.

Mr. Speaker, during the past several weeks, members of our government have talked with numerous groups and individuals about the cost-price squeeze. Out of those discussions came one message loud and clear: the people of -Saskatchewan want to ensure that farmers remain on their land and have the opportunity to work through their present financial difficulties. The Farm Land Security Act gives farmers that chance. It gives them that breather. It will give farmers the opportunity to plan for the future, safe in the knowledge that they are secure on their land.

Mr. Speaker, many Saskatchewan farmers are experiencing severe financial problems because of the cost-price squeeze which has struck in recent years. Farm incomes have suffered serious declines. Realized net income for 1984 is now expected to be 30 per cent below the previous five-year average after accounting for inflation. The 1984 drought greatly aggravated the cost-price squeeze for many farmers. On the average, 1984 grain production is down 13 per cent from the five-year average. Given what we know about the variability of crop yields, this may not seem like a serious decline, but as we know, this is only an average. Many farmers suffered losses far greater than 13 per cent. In some areas yields hit unprecedented lows.

Also, many farmers have been ravaged by consecutive years of low yields. Others have been devastated by flooding and pests and other natural disasters. The net effect of the cost-price squeeze, the drought, and other circumstances which are beyond the farmers control is that many of the farmers who are the mainstay of the provincial economy are in imminent danger of losing their farms. Mr. Speaker, this is a grave situation. Farmers are the guardians of the provincial economy, and when the guardians are threatened, we are all in danger.

Since Saskatchewan became a province in 1905, our farmers have served all the people of Saskatchewan well. They have generated the vast majority of the economic wealth of this province. It's that economic wealth that

runs the schools, builds the hospitals, and also builds roads, Mr. Speaker. They have been responsible for creating most of the jobs, either directly or indirectly, in Saskatchewan. They have suffered and survived through the most difficult economic and climactic conditions. They have served us well, and we owe them a great debt. Now is the time to pay back that debt. The best way we can do that is to help ensure that farmers have every opportunity to stay on their farms. The Farm Land Security Act gives farmers that opportunity.

Mr. Speaker, our government was elected to office largely because of our commitment to farmers. It's a commitment which we take seriously, and which our record shows we have kept. During the 1982 election campaign, signs of the cost-price squeeze were already evident. Between 1973 and '83, farm interest costs rose 496 per cent, from 4.5 per cent of operating costs to 10 per cent. Farm fuel costs in that same decade rose 388 per cent, from 5.5 per cent of operating costs to 8.7 per cent. And total operating costs rose 307 per cent compared to an increase of 170 per cent in cash receipts.

Now while no one, Mr. Speaker, in '82 predicted that the cost-price squeeze would become as serious as it is today, our government realized it was a problem, and we dealt with it on a step-wise and orderly fashion, starting, I might add, with the very first months of this new government being in office, with the farm purchase program where we recognized that interest costs were an albatross around the beginning and young farmer's neck out there. And today we have something over 3,500 new farmers started. And so while we can talk today, Mr. Speaker, about the tragedy in agriculture, we have many new farmers, first-time farmers, started out there.

However, Mr. Speaker, many farmers do have their backs to the wall today, right now. A recent survey by the Farm Credit Corporation states that about 16 per cent, or one out of six Saskatchewan farmers, are in severe financial difficulty. Mr. Speaker, that's approximately 11,000 farmers. Poor returns have restricted the ability of farmers to service their debt, and declining farm value, land values have eroded farm equity. And when those two things happen, Mr. Speaker, when those two things happen, lenders get concerned. And lenders have been getting increasingly concerned.

And it's interesting that the lenders would become concerned, Mr. Speaker, because, as I recall in the halcyon days of the '70s, they were the ones that coined the term "easy payments." Unfortunately, Mr. Speaker, out there today many farmers in Saskatchewan do not find the payments easy. And there are some lenders out there, Mr. Speaker, who, with this legislation, as they argued, I'm sure, in 1970 and 1930 and 1914 for all I know, said that credit would dry up as a result of this kind of Bill, that farmers would quit paying their debts. Well, I would suggest to you — and frankly, Mr. Speaker, I have made some of those very arguments myself in the past — but when it comes down to looking for the hard facts to back up that claim, Mr. Speaker, they're hard to come by.

Because what are the facts? The facts are this, Mr. Speaker: that farming and agriculture has been very good to the financial institutions in this country. They are one of their best customers, paying in the last two years alone something in and around \$400 million in interest payments. I would suggest to you, Mr. Speaker, that agriculture, farming, has been very good to the lending institutions.

And I would suggest as well, Mr. Speaker, that with this Bill, as did others before me, whether it be Mr. Davis, the attorney general of the day, or Mr. Estey, the minister of education of the day when he reported on a debt survey in this province in 1934-35, they at that time said then, and it is as true today as it was then: the vast majority of farmers out there view a debt as a debt, and they will pay it — 85, 90, 95 per cent, I don't know what the percentage is. But I know that, even with this Bill in place, past history will tell us that farmers, as we heard my colleague from Melfort just say earlier today, are the salt of the earth, and they will continue to pay those bills as best

they can, and by far the majority of them will pay them, and pay them in total.

I would suggest, Mr. Speaker, I would suggest that history simply does not back up the claim that credit will dry up. And I would suggest, Mr. Speaker, that we have had periods in the history of this province where there was no legislative framework for things like debt adjustment to occur, and co-operation took place between the lenders and the mortgage companies. And I see no reason for there to be a departure from that kind of historic co-operation that the people in this province have come to know and enjoy.

And so I would just say to the lenders, and I refer specifically to a special edition of the *Farm Business Review*. I would say, during this breather, get down to work with your farmer clients who just happen to be some of the best clients that they probably have ever enjoyed; get down to work and do as they've suggested in their policy options for continued support; get on with debt restructuring and consolidation; get on with deferment of interest and principal payments, capitalization of interest, interest rate concessions, partial liquidation of assets, loan set asides, and continued support of government guarantees. I say, get on with it.

As well, Mr. Speaker, I would suggest that it is in their best interests, as well, to see this Bill come to pass. Because what would be the effect of, for example, 10 or 11,000 farms being foreclosed on and having a massive sell off out there in Saskatchewan? I would suggest, Mr. Speaker, that their portfolio and the value of that equity would plummet dramatically. And so I think it's in the best interests of everyone to try and stabilize the situation and use this breathing room to, in fact, do that.

In so far as statistics in terms of the seriousness of the situation out there, the provincial mediation board, Mr. Speaker, received 271 notices of intention to commence foreclosure actions between April 1 and the end of November. That's well ahead of the pace for last year. In the last three and a half years more than 1,000 notices of intention have been filed. And in addition, a subtle, a more subtle and less noticeable form of hurt has existed out there in that there has been the sale of farm lands, involuntarily, if you like, to try and alter their debt-to-equity ratios. And had that not gone on we probably would have been even more foreclosures, Mr. Speaker. Clearly, there is a good reason to be uneasy and for lenders to be receptive to any and every policy option.

Mr. Speaker, in the past when crops were good, the weather was favourable, and the farm incomes were much better than they are today, lenders were anxious to loan money to farmers. In fact, many even encouraged farmers to borrow more money. Now today when the crops are poor, the weather is disastrous, and the farm incomes have plummeted, we must look to these lenders to help farmers. Our government consulted a great many people who are very concerned about the state of agriculture, and opinions out there ranged in terms of what we should do from, as I said earlier in this House, do nothing — let the chips fall where they may; they got themselves into trouble — to, on the other extreme, full-blown debt moratorium. And I can say, Mr. Speaker, as I've said before inside and outside this House, everything was an option.

And the generalization that I would make Mr. Speaker, is that people wanted to ensure that farmers have the opportunity to stay on their land and the chance to work through their difficulties.

As a result this Bill is before the legislature today, The Farm Land Security Act. In broad terms the Bill protects farmers from losing their land through foreclosure action. This protection started last Tuesday and runs through until at least the end of 1985. It will keep Saskatchewan farmers on the land and let them farm.

Mr. Speaker, I would now like to take a few minutes and go through some of the various and sundry provisions of the Bill. I will try and do it as crisply as I can, although I don't necessarily want to gloss over any point.

This Bill will protect farmers from losing their land by stopping lender foreclosure action beginning December 4, '84 and until January 1, 1986. There is, Mr. Speaker, also stated in the legislation . . . it not only applies to farm land mortgages held by chartered banks, credit unions, trust companies, the Farm Credit Corporation, and the Agricultural Credit Corporation of Saskatchewan, but as well to private mortgages and agreements for sale and land subject to sale under writs of execution.

There is provision for a Farm Land Security Board appointed by the Lieutenant Governor in Council, also with a chairman designated. The section provides powers to the board to appoint committees and hire staff, and for the board to have the powers of commissioners under The Public Inquiries Act. The board can delegate its investigative powers and the powers of mediation to its committees. The functions of the Farm Land Security Board are described in the Bill, and, in one of the sections, Mr. Speaker, it states that the Act applies to all mortgages of farm land, and, as I went and as I described earlier, that includes agreements for sale, etc.

There is provision in the Bill, Mr. Speaker, that adjourns all actions taken against farm land before the coming into force of the Act, and states that:

No person shall commence an action with respect to farm land until after at least January 1, '86. Lieutenant Governor in Council may extend this period until December 31, 1986 if economic conditions warrant. The adjournment of actions cannot be extended beyond December 31, 1986 without reintroduction of legislation.

(1615)

There is a section, Mr. Speaker, which covers actions already commenced, where the courts have been given a grace period to the farmer to meet his obligations under a mortgage. The grace period is simply extended by this section to at least January 1, '86.

There is further provision in the Act that prescribes a procedure whereby lenders, mortgagees, may apply to commence foreclosure in spite of the protection afforded by this Act. Such a provision was also contained in the family farm protection Bill, Mr. Speaker. There are sections that provide that the court may order that a farmer not be afforded the protection of the Act by ordering that the previous sections 7 and 8 not apply. This could occur in situations where there is absolutely no possibility of the farmer meeting his mortgage obligations or where the farmer is not making a sincere and reasonable effort to meet his obligations with respect to his mortgage.

There is provision, Mr. Speaker, for a procedure which a lender must follow if he wishes to have the court deny a farmer the protection offered by the Act. He must give the farmer and the Farm Land Security Board 120 days notice of intention to apply to the court. No notice can be given until January 1, '85. The Farm Land Security Board then investigates the financial affairs of the farmer and acts as a mediator between the farmer and the lender.

Before the case is heard by the courts, the Farm Land Security Board provides a report relevant to the lender's application, with particular reference as to whether the board considers the farmer has a reasonable possibility of meeting his financial obligations under the mortgage, and as to whether the farmer is making a sincere and reasonable effort to meet these obligations. The burden of proof is on the lender to demonstrate that the farmer has no reasonable possibility of meeting his obligations or that he is not making a sincere and reasonable effort.

In making its determination, the court must give primary consideration — this is a new feature, I would suggest, Mr. Speaker — it must give primary consideration to the report of the Farm Land Security Board, but as well may consider other factors listed in the Act. Unless the lender successfully proves to the court either that the farmer has no reasonable possibility of meeting

his obligation on the mortgage, or that the farmer is not making a sincere and reasonable effort to meet his obligations, then the court must dismiss the lender's application. Where an application is dismissed, no further application can be made by the mortgagee with respect to the mortgage on that farm land except if the Lieutenant Governor in Council extends the period for which the Act applied.

There is a section that provides in this Act to apply to land subject to sale under writs of execution, as I mentioned earlier. Then there are, Mr. Speaker, several sections that are perhaps found in many Bills: one that authorizes the Lieutenant Governor to make regulations, an appropriation section, a section to provide for penalties for offences, and as well a section that has an immunity clause to protect persons involved in administration of the Act.

That is briefly, if you like, Mr. Speaker, some of the provisions of the Act. There will be two or three House amendments — I just can't recall which. But I've taken the liberty of forwarding them to the agriculture critic and, as well, the representative of the third party in the House for their consideration.

Mr. Speaker, I can tell by the braying that has been coming from the opposition benches that they're just dying for an opportunity to compare this Bill to their own family farm protection act. And there are many differences, Mr. Speaker, not the least of which is the Act that was put before us, I think, in the past session by the hon. member from Assiniboia-Gravelbourg. He didn't even take the time to dress it up and remove why that Bill in 1971 was put up the way it was, and that was to deal with gluts in the grain industry and no quotas and, in fact, he left that provision in there — I would suggest a hastily drafted piece of legislation. But then, of course, it was described in 1971 as an experimental Bill then.

But, I think, I will in fact even do some comparison between this Bill and the 1971 legislation, Mr. Speaker. I think they will see that their Bill pales by comparison. They and the people of Saskatchewan will see that the NDP Bill was retrogressive and a threat to businesses and jobs in our rural communities.

In fact, Mr. Speaker, the key difference between those two pieces of legislation is ours deals with land foreclosures and land foreclosures only, because we just happen to place a value, and a very significant value, on the jobs and the livelihood of all those people in all those rural communities in Saskatchewan who happen to be part of that very important farm services sector.

The people opposite, the opposition members, are against saving, for example, or helping to save those implement dealers out there, for example, who between Saskatchewan and Manitoba employ 5,500 people. I think, Mr. Speaker, people will see that we stand for the farmer and they stand for the lender.

As I mentioned our Bill is targeted only on land so that the day-to-day operations of small business and the jobs they create will not be threatened. By covering land and all other assets, the NDP Bill threatened the farm service sector and related jobs, particularly implement dealers. This would have put entire businesses and countless jobs in jeopardy. That would have destroyed the business and social structure of our rural communities as it jeopardized them in 1971.

Our Bill addresses the central issue which is to keep farmers on the land. Land is sacred in this province.

The NDP, Mr. Speaker, I would suggest, used a shotgun approach. And I would further suggest that it would have killed and maimed the innocent. Our Bill postpones foreclosure actions for 13 months with the possibility of a one-year extension. It recognizes the fact that the length of the current financial crisis is unknown. It provides flexibility in dealing with that situation. The NDP's proposal in the past has provided action for 18 months and for no further protection beyond that point.



For those cases which a lender takes to court, Mr. Speaker, our Bill creates the Farm Land Security Board. And this, as I recall the discussion in 1971, was a recommendation that was made to the politicians, the government politicians of the day, to look at including something like a board, an intermediary board.

This Bill creates the Farm Land Security Board which will provide the court with an expert opinion as to whether a farmer has a reasonable chance of being successful down the road, and to whether he's making a reasonable attempt to meet his mortgage obligations. The opposition has never had such a provision in their legislation, Mr. Speaker.

In this legislation the court starts with the presumption that the farmer does have a reasonable chance of success and that he is making a reasonable effort to meet his obligation. In other words, Mr. Speaker, we've given the farmers the benefit of the doubt. And this may be the first piece of legislation in Canadian history to ever take that approach.

In court a very strict burden of proof is on the lender and not the farmer. The lender will have to prove — not the farmer — the lender will have to prove either that the farmer has no reasonable chance of success down the road or that the farmer has failed to make a reasonable attempt to meet his mortgage obligations. Even if a lender proves one of these points, the court must still dismiss the foreclosure proceedings if it is satisfied that the foreclosure would violate the intent of the Act.

In our Bill, as well, Mr. Speaker, the court must give primary consideration to the report prepared by the Farm Land Security Board — another distinctive feature. We've given guidance to the court. There was no guidance in previous legislation.

But more importantly, Mr. Speaker, the Farm Land Security Board helps the farmer prepare his case for court should it progress to that point. Our Bill shows compassion and understanding whether others have not. Under our Bill a lender must give 120 days notice to go ahead. Legislation in this House, not that long ago, Mr. Speaker, had only 15 days. That's the NDP method. Ours is to keep farmers out of the court and on the land.

Under our legislation the lender is only allowed one application for exemption. Once a court has dismissed a foreclosure action, that's the end of it. The only exception is if the Act is extended. The lender cannot continually take the farmer to court.

I ask you, Mr. Speaker, in the end, I think it's quite clear who is standing for farmers in this province and who is not. This legislation we have introduced states clearly that we are committed to protecting and preserving the family farm. We stand behind our farmers 100 per cent.

This Bill is a carefully thought-out piece of legislation. It focuses on the primary issue of keeping farmers on the land, and it will accomplish that without hurting small businesses and rural communities and without threatening jobs in those same businesses and communities. It's legislation which meets the needs of our farmers and those guardians of our entire provincial economy.

Now I know, Mr. Speaker, there are those out there who are saying — and we've heard it in this debate — where's the cash? We've heard and read of those saying farmers should have some cash on the dash, I think it was. We've seen members opposite argue for cash.

But, Mr. Speaker, I want to say to you, and to the members of this House again, the members of the opposition: there is no quick fix for the problems today in agriculture. You cannot view this in isolation, as I said earlier. The NDP junkies across the road are always looking for the easy fix. They are the ones that proposed a \$30 per cultivated acre payment, Mr. Speaker. And what does

that mean? One and one-half billion dollars. And where would they get it? They would double the deficit or triple taxes. Take your choice, Mr. Speaker. They are out of touch with reality. They have given themselves the quick fix to remove themselves from reality and the responsibilities of providing good government.

I say, Mr. Speaker, look at this Bill in context with the safety nets. There are some out there, Mr. Speaker, who, as well, say it will only postpone the agony. I say to them, Mr. Speaker — and I suspect those arguments were used in the '70s and the '40s and the '30s and the '14s of this province as well — and I say, Mr. Speaker, if there's somebody out there who can tell me, who can see into the future with that kind of confidence and certainty, that can tell me in 13 months what it will look like, or for that matter three months or 23 months, let him step forward. He must be the richest man in the world. Because I do not know what it will look like 13 months from now, but I know that by giving a breather in times past, it got a lot of people back on their feet.

And certainly there is perhaps always a historical level of bankruptcies. It wouldn't matter whether wheat was \$10 a bushel or cattle \$10 a pound. There was, I suspect, always a historical level. But what we are threatened with today in this province, Mr. Speaker, is a group of very productive farmers out there who may have been farming eight or nine or 10 years, who got hooked with high interest rates and high land prices, and by the Farm Credit Corporation's own survey, they have been identified as a very productive group. When I see a group like that, Mr. Speaker, and when the people in the community see a group like that threatened, I think then is when they say, yes the government should act. And act we have.

We as well, Mr. Speaker, must act, given the very serious nature of this kind of legislation, must act responsibly so that we don't drive a wedge between the farmer and the community he lives in. This Bill does that as well. And I would suggest, Mr. Speaker, that there is that group out there, and I would think they are 85 or 95 per cent of the farmers, who will for the most part carry on farming, never mind this Bill. They will continue to meet their debt payments and pay their bills as they've always done because they're that kind of people, and Saskatchewan farmers are tough people and they're resilient people. In fact, they're so resilient, the farmers in this province, Mr. Speaker, they even survived an entire decade of NDP government. That's how good they are.

We as well, Mr. Speaker, must act — given the very serious nature of this kind of legislation — must act responsibly so that we don't drive a wedge between the farmer and the community he lives in. This Bill does that as well. And I would suggest, Mr. Speaker, that there is that group out there, and I would think they are 85 or 95 per cent of the farmers, who will for the most part carry on farming, never mind this Bill. They will continue to meet their debt payments and pay their bills as they've always done because they're that kind of people, and Saskatchewan farmers are tough people and they're resilient people. In fact, they're so resilient, the farmers in this province, Mr. Speaker, they even survived an entire decade of NDP government. That's how good they are.

I also, Mr. Speaker, do not believe, and I'm not so naive as to think that governments can legislate success. I am also not so naive as to think that governments can legislate survival. But I do know, Mr. Speaker, that we as legislators can and must at this time legislate an opportunity. There are very many young farmers, not-so-young farmers out there who go hooked with events beyond their control, not much different than what me learned colleague of some half decade ago said in this House — half century, rather — found themselves in circumstances beyond their control.

And certainly none of us in this House has the ability to control the weather, or the international market situation, or the international monetary situation, for that matter. And we also do know, Mr. Speaker, that tough times come and tough times go; tough times don't last, but tough people do.

And the parrots across the way, Mr. Speaker, have suggested that it's tough times that are Tory times. It simply has not bore out, it simple has not bore out, Mr. Speaker. Virtually every political

party in the province's history has been involved in debt moratorium or debt adjustment legislation. And certainly, Mr. Speaker, as a Progressive Conservative, I could take the narrow view and say Tories don't believe in debt moratorium kind of legislation.

And I would be less than honest if I said ideology had not fought instinct, Mr. Speaker. But there's a time when you have to put ideology aside and say: we have some very productive, good farmers in this province in jeopardy, and we must move to help save them, and move we have done.

(1630)

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. HEPWORTH:** — We will, Mr. Speaker, give them the breathing space, and we are not going to do this in an extreme sort of way. Those across the way would say: put in full-blown extreme debt moratorium legislation, squeezing the life out of our farm service sector. Throw money at it; double the deficit. As I said earlier, we've had those on the other side who said: do nothing.

I would say, Mr. Speaker, both extremes are equally dangerous, and we have picked the common sense middle ground. We, Mr. Speaker, have added to the safety net that exists out there. We have, if you like, added an additional dimension to the security blanket. We have provided during this time of shock, if you like, a shock absorber — an economic shock absorber.

But more importantly, Mr. Speaker, and my hon. colleague referred to it, one-half century ago, when he talked about the morale of people, and I quote again:

We must of necessity maintain the morale of our people and appreciate the fact that a man who sees his debts every increasing, through no fault of his own, and sees gradually slipping away from him everything he has in the world, has not the heart nor the spirit to continue the battle against the conditions which presently prevail.

So over and above everything else this Bill may do, Mr. Speaker, if nothing else, it does restore morale. I would suggest, Mr. Speaker, that it will replace fear and despair and uncertainty in rural Saskatchewan today with confidence, hope, and security. And, Mr. Speaker, it is with pride that I today move second reading of Bill No. 1, An Act respecting the Security of Farm Land in Saskatchewan.

**SOME HON. MEMBERS:** Hear, hear!

**MR. ENGEL:** — Thank you, Mr. Speaker. Today the Minister of Agriculture stood up and reminded us all of Saskatchewan's past history, and then as he was closing his debate, he made a reference to a comment that we've used in the past, that Tory times are tough times.

In his own words, Mr. Speaker, he said now serious the situation is that we're in today, and that we need some legislation here to give the farmers some hope. I wish we'd have that before the House today. I wish today we'd have some moratorium legislation that in his words said that would raise the expectation. I think the words he used, Mr. Speaker, were that it would be reasonable and responsive. This is what he called this Bill that is before this House today, reasonable and responsible legislation.

I honestly, Mr. Speaker, didn't think that I'd live long enough to hear a Tory member, or a member of this government, quote from an Anderson government's minister, and try and pick up a package that the people so soundly rejected, that it took a whole generation — in fact a lifetime — to forget how tough those Tory times were.

Back in 1934, when this minister, the hon. Mr. Davis, introduced similar legislation, and that this minister had the nerve, had the nerve to say that this is what he's zeroing in on, and this is what he's going to copy, I would today stand up, and I'll make that prediction he called for — he said it's going to be the richest man in the world — I don't intend to be that, Mr. Speaker. I've never intended to be that. But I will tell him that I'm bold enough to stand up today and say it's going to be another 50 years before anybody will quote that minister in this House.

How history does repeat itself. It's impressive to say that . . . The minister said, "Oh, we can't be too simplistic." Well, the simplistic answer is that the kind of solution that someone that can stand up in this House and go full circle like that minister said. We don't believe in moratoriums, and we don't believe in moratoriums, but we're going to have to lay aside our political ideology. And we're going to have to lay that aside, and we're going to have to come up with some legislation that's going to work.

Mr. Speaker, the farmers are going to very, very disappointed in this kind of legislation because here in the name of moratorium legislation — in the name of saving farms, they don't do it. They decided to go half-way and say we'll put in a committee to decide which farm is viable.

I was very interested, Mr. Speaker. We've been saying . . . Since this legislation was first made public, we've been saying it's not going to work. We've been saying it's not going to ever work. We've been saying that a foreclosure moratorium standing by itself is not the answer for hard pressed family farms throughout Saskatchewan. Moratorium legislation isn't going to work.

**SOME HON. MEMBERS:** Hear, hear!

**MR. ENGEL:** — We made it clear before Bill 1 was ever drafted by this government, and by its pollsters from Toronto, and by its friends in the bank . . . (inaudible) . . . that it's not going to work. Since the spring of this year we've made it clear that any moratorium has to be part of a package, has to be part of a package — a package that puts, in your own words, Mr. Minister, cold, hard cash — cold, hard cash into the pockets of the farmers. Then moratorium legislation will work.

This legislation fails to do that. This legislation will not put one thin dime into the pockets of my neighbours, or my family farmers, or to my fiends. It totally ignores the need for a cash injection for our farm economy, the kind of cash injection which we've been calling for. Farm organizations have been calling for it. Sask Wheat Pool's been asking for some interest relief. Everybody's been calling for money, but this Minister of Agriculture says the farmers don't need it.

We in Saskatchewan don't have a responsibility towards providing cash, and what has become clear, as we've been asking people to review this legislation, is that it is far from being moratorium legislation. It's not airtight moratorium. In fact, as I mentioned it the other day in this Assembly, Mr. Speaker, when I was speaking on the throne speech, this contains loopholes large enough to drive the main branch of the Royal Bank through. This isn't moratorium legislation, it's window dressing — loopholes which fail to provide the kind of protection from foreclosure which the minister's been talking about today.

If you'd been offering these farmers protection, even on their land, and say that this is a moratorium on foreclosure, and there will be no foreclosures under any circumstances, then we'd have foreclosure. But we don't have foreclosure legislation here, Mr. Speaker. We have here some window dressing. We have a name of foreclosure moratorium, but it gives the banks and their friends in the committee a chance to decide who the foreclosure is for.

We've consulted with people around the province, Mr. Speaker. We've consulted with farm organizations; we've consulted with people at the farm gate, with the banking institutions, with credit unions, and we've found two fundamental points mentioned again and again by

everybody we've consulted with. And people that have been criticizing unanimously on this inadequate legislation. And number one is: there's not one dime, not a penny for the province, not a dime.

Number two, and that it doesn't even do an adequate job of its extremely limited objection of a foreclosure moratorium. The foreclosure moratorium is very narrow in the minister's own words.

The minister stands up and raises expectations and says, we can use moratorium legislation because the federal government's going to come up with a billion dollars.

And another statement he made, Mr. Speaker, is that 1,000 notices have been filed. Were those notices, Mr. Minister, on land foreclosure, or were they on foreclosure of equipment, or are foreclosures on equipment and on cattle over and above that amount?

He skipped over the powers of the board. He didn't tell this Assembly exactly what the board is going to do. Is the board going to offer protection for the farmers, or is the board going to expose the farmer that is, in their words, not a viable farmer?

Because we are still hearing from and consulting with people around the province, and because I wish some time to review in detail the remarks that the minister just made, I beg leave to adjourn debate, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

Debate adjourned.

### **Bill No. 3 — an Act to amend The Wascana Centre Act**

**HON. MR. CURRIE:** — Mr. Speaker, I rise today to move second reading of Bill No. 3, an Act to amend The Wascana Centre Act.

The amendments proposed in this Bill revise the formula establishing the statutory funding for the Wascana Centre Authority. The amendments are the result of consultation with the Wascana Centre Authority, the city of Regina, and the University of Regina. They have the support of all the participating parties in the authority.

Mr. Speaker, the existing legislation pertaining to the Wascana Centre Authority makes no provision for the effect of property reassessment in the city of Regina on the authority's funding formula. Under the Act, the authority receives an amount equivalent to what a levy of four mills in Regina in the preceding taxation year would raise. However, in 1984, property reassessment took effect in Regina. As a result, the amount which can be raised by one mill has been substantially increased. In order to ensure that the Authority continues to receive its present funding from the participating parties, the amendments in subsection 3(1) are necessary.

The new formula also provides for some increase in funding which is to be implemented over four years. This will enable the Authority to continue to meet the minimum expenditure on landscape construction required by the statute, meeting it without cuts in the Authority's other activities, while still recognizing the need for some fiscal restraint.

These amendments also provide, in subsection 3(2), for a review of the new funding formula in 1995. This review by the Authority and participating parties will ensure that the Authority's needs continue to be met.

Section 4 corrects the problems associated with a fixed rate of interest specified in the Act for funds due to the Authority. The amendments replace the present 6 per cent annum with the prime rate of interest payable under whatever the latest debentures issued by the city of Regina

may be. This change is consistent with similar provisions for the Wakamow Valley Authority in Moose Jaw and the Meewasin Valley Authority in Saskatoon.

Finally, Mr. Speaker, this Bill will correct an error dating back to 1974 in the description of the Authority's boundaries.

Mr. Speaker, the proposed amendments will permit the Wascana Centre Authority to continue to serve the needs of the citizens of Regina and Saskatchewan in the same exemplary manner in which it has done in the past. I would urge the members of this House to support this Bill.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, I understand from the minister's statement that the changes which are outlined in the Bill are, so far as finances are concerned, due to the reassessment and that the new formula will provide, at the outset, the same funds as the old formula provided.

I will be pursuing that matter in committee, but I am proceeding on that assumption. I am aware that the formula also provides for a small increase, over time, of that amount. And I think that that is desirable.

It will be recalled that legislation passed last year reduced the amount of money flowing to the Wascana Centre by about 20 per cent, and I very much regretted that, since I think that the money which has been spent by the Wascana Centre Authority has been spent prudently and that the development of the entire complex is something that people all across this province took a great deal of pride in.

However, that is past — what we did last year. We will continue to urge the government to fund it at its previous level. But this legislation which simply transposes a formula upon the old assessment to a new assessment cannot, on that ground, be opposed.

(1645)

The other changes in the provision of the interest rate is a sane and rational provision, and the further changes which are of a clerical nature do not raise questions of principle.

Accordingly, I will be supporting the Bill, reluctantly, since I believe it should reinstate the cuts made last year, but that's another argument. I will be supporting this Bill and make my arguments about the level of the funding on the budget in due course.

Accordingly, I will be supporting the Bill.

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

#### **Bill no. 4 — an act to amend the Saskatchewan Assessment Act**

**MR. EMBURY:** — Mr. Speaker, I am pleased to move second reading of the Bill, The Saskatchewan Assessment Amendment Act, 1984.

Mr. Speaker, effective April 1, 1982, the Saskatchewan Assessment Authority assumed the responsibility for providing valuations to all northern towns, villages, and the Northern Saskatchewan Administration District lying outside the boundaries of a northern town or northern village. This responsibility was transferred from what was then known as the

department of northern Saskatchewan.

I am pleased to report, Mr. Speaker, that this transfer of responsibilities has gone very smoothly, and the municipalities in the North have not had their previous level of assessment service interrupted in any manner.

Mr. Speaker, now that The Northern Municipalities Act has come into force by proclamation, it is necessary to amend the provisions of the Saskatchewan Assessment Act to provide the Assessment Authority with the power to perform valuations pursuant to the provisions of The Northern Municipalities Act.

The assessment and taxation provisions of this Act are very similar to the provisions contained in both The Rural Municipality Act and The Urban Municipality Act, 1984. As personnel from the Authority perform valuations for all municipalities located in the southern and central portions of our province, these amendments will, Mr. Speaker, give the Authority the power to perform valuations in the northern portion of our province.

I would therefore, Mr. Speaker, like to urge all members to support this Bill in order that the Saskatchewan Assessment Authority may be given the power to perform valuations in all northern towns and northern villages, and in that portion of the Northern Saskatchewan Administration District lying outside the boundaries of a northern town or northern village.

**MR. SHILLINGTON:** — Thank you very much. I shall be quite brief on this piece of legislation.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SHILLINGTON:** — I know that members opposite would like to hear my speech on unemployment again, and if sufficiently induced I might comply. But, unless you really insist, I'll stick to the subject.

I have had an opportunity to review The Saskatchewan Assessment Act. I am unable to, in any way, connect that to the problems relating to unemployment or the farm crisis. That being the case, and because it does indeed, I think, do what the minister says it does, I think it is housekeeping to those people in the southern part of the province, and I think probably have some substantive importance to those people in the northern part of the province. I will not be opposing the Bill and will be voting for it, and so will the opposition caucus.

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

### **Bill No. 5 — An Act to amend The Department of Urban Affairs Act**

**MR. EMBURY:** — Mr. Speaker, I move the second reading of Bill No. 5, An Act to amend The Department of Urban Affairs Act, 1984.

As many members of this House know, The Department of Urban Affairs Act is a brief but important Act which authorizes my department to do things which benefit urban and northern municipalities. The Act now authorizes the department to make grants or loans to municipalities and vital municipal organizations like SUMA (Saskatchewan Urban Municipalities Association). However, the authority provided by the Act in its present form is now somewhat out of date and inflexible. The Act has, therefore, been updated and streamlined in this Bill.

First, Mr. Speaker, our amendments to section 12 draw a distinction between outright grants on the one hand, and financial assistance for municipal programs on the other.

The category of grants to municipal associations, for example, normally do not require

regulations. Therefore, the existing provision which requires cabinet approval for such grants in excess of \$10,000 is retained in respect of these grants. However, in the Bill, program financing is clearly subject to regulations. This ensures accountability according to accepted practices related to program funding.

Mr. Speaker, this change removes the anomaly in the current Act whereby the cabinet could be in the position of approving large grants twice, once under the regulation power and, secondly, under the provision for cabinet approval of grants in excess of \$10,000.

However, in the amendment to section 8 we are retaining the requirement for cabinet approval of financial assistance to programs for inter-municipal planning matters. This exception is justified by the fact that inter-municipal programs involve urban and rural municipalities and, therefore, should not be subject to the approval of one department only.

Finally, section 20 dealing with regulations has been streamlined and brought into line with the amendments I've just mentioned respecting grants and program assistance.

Mr. Speaker, I urge all members to support this Bill.

**MR. SHILLINGTON:** — Once again, Mr. Speaker, the Bill appears to do what the minister has said that it does. I am not sure I see the necessity for some of these, but neither do I see them doing a great deal of damage. We will be voting for it, and I will have some questions in committee of the whole with respect to a couple of these sections, but we will not be opposing the Bill itself.

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

### **Bill No. 6 — An Act to amend The Public Health Act**

**HON. MR. TAYLOR:** — Mr. Speaker, I am pleased to explain the purpose of these amendments to The Public Health Act. The amendments all deal with the question of offences and penalties under the Act and its subordinate regulations.

The Public Health Act is a statute which provides the legal basis for approval and control of a wide range of facilities where the potential exists for health hazards to the public. These facilities include such things as bake shops, swimming pools, plumbing installations, public eating establishments, and industrial camps.

While the Act itself provides the legal framework, the actual requirements are spelled out in detailed regulations made under the Act by the Lieutenant Governor in Council. The Act currently contains clear provisions regarding penalties for offences against the Act. However, it has been determined that the Act does not provide clear and adequate provisions for the creation of offences against the regulations, nor for the imposition of penalties for such offences.

Accordingly, Mr. Speaker, subsection 82(1) is being amended to incorporate reference to offences against the regulations. Such offences will be subject to the same penalty provisions as are spelled out for offences against the Act.

The second major aspect of the amendments is an updating in the penalties for offences against the Act and the regulations. The Act currently provides a maximum penalty of \$100 for a first offence, and a maximum penalty of \$10 for each subsequent day until the necessary corrective action is taken. Further, these provisions make no clear distinction between individuals and corporations for purposes of addressing penalties.

Mr. Speaker, the existing penalties have been in place for many years and are no longer realistic.



The new maximum penalties as defined in the amendment represent a reasonable level by today's standards and make a clear distinction between maximum fines for individuals and corporations.

I want to note several points about the new penalty provisions. The amounts specified are maximum levels only, not mandatory levels. The courts are free to determine the lower fine, taking into account the nature of the offence and of the offending party. The maximums are not inconsistent with those in similar legislation in other provinces, as well as other Saskatchewan legislation such as The Occupational Health and Safety Act. Prosecutions under the public Act are extremely rare, and occur only when all other avenues for obtaining compliance have been exhausted.

Mr. Speaker, I believe these amendments to The Public Health Act will clear up a couple of existing weaknesses and bring the Act up to date in terms of the penalty provisions.

I therefore move that the Bill be given second reading.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LINGENFELTER:** — Mr. Speaker, I listened with a great deal of interest to the speech by the minister on second reading, and I found it hard to believe that he was so excited he could hardly get his speech out — that increasing the penalties and putting penalties on the regulations would be that exciting to him.

But, Mr. Speaker, I want to say that we have a number of questions that we will want to ask the minister in committee. My speech will be much shorter than his. I don't find the excitement . . . I had thought possibly this would have something to do with lotteries, but I see it's just penalties, but we have questions that we will ask in committee.

Motion agreed to, Bill read a second time and, by leave of the Assembly, referred to a committee of the whole later this day.

The Assembly recessed until 7 p.m.

**Correction:** The front cover of *Hansard* for Monday, December 10, 1984 should read: 8A MONDAY, DECEMBER 10, 1984, 2:00 p.m.