

April 29, 1985

The Assembly met at 2 p.m.

THE CLERK: — I beg to advise the Assembly that Mr. Speaker will not be present today to open this sitting.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

MR. MULLER: — It gives me a great deal of pleasure today to represent the Speaker, as you know who is in Cypress, and he has a class of 19 grade 8 students in here today, and I would certainly like to introduce them to the legislature. I hope they enjoy the question period. I will be meeting with them at approximately 2:30 for pictures and drinks in the Speaker's board room. They are from Rosetown Division III School. I would ask all members to greet them here and wish them a good trip home.

HON. MEMBERS: — Hear, hear!

HON. MR. HEPWORTH: — Mr. Deputy Speaker, I'd like to introduce to you, and through you to the members of the Legislative Assembly, some 68 school students from Weyburn Junior High School in Weyburn, Saskatchewan. They are grade 8 students, and they're in the West gallery and today accompanied, as well, by their teachers, John Mahnic, Jim Nedelcov, and bus drivers, Dwayne Thackeray and Greg Lubke.

I will be meeting with them after question period for some pictures. I know they've had a busy schedule while they've been in Regina. They had a tour of the Legislative Building earlier today. This has become something of an annual event that this school has sponsored, a chance for the students to see our democratic institutions in action, and I commend them for their interest, and their teachers for taking the time and the initiative to organize such an undertaking.

I would ask all members to please welcome these students to the Legislative Assembly this afternoon.

HON. MEMBERS: — Hear, hear!

ORAL QUESTIONS

Payment of Day Care Subsidies

MR. SHILLINGTON: — My question is to the Minister of Social Services, and it deals with your department's foot dragging with respect to payment of day care subsidies.

The majority of day care centres did not receive their monthly subsidy cheques from your department for April until this morning's mail. This month-long delay has put day care centres in a financial bind. They have been unable to pay their suppliers who are largely small-business men, and they've been hit with interest charges on the overdrafts.

Can the minister explain why this delay took place in April, and why your officials are warning the day care people that the subsidy cheques for May may also be late?

HON. MR. DIRKS: — I wish to thank the member opposite for his question, Mr. Deputy Speaker. We certainly take very seriously our obligation to all of the day care centres in the province of Saskatchewan to ensure that they are provided with the necessary and appropriate

funding for them to carry out their particular obligations.

I understand that because the Appropriation Bill this year was approximately two weeks later than normal, that there was some modest delay in the time-frame for sending out of cheques. I understand all of the cheques have been sent out, but certainly, if there is any particular centre which may be suffering some short-term financial difficulty because of that one or two-week delay, I would be more than happy if the member opposite would let me know of those particular centres, and I would check into the situation immediately.

MR. SHILLINGTON: — Mr. Minister, that is self-evident rubbish, and I'm surprised you don't know it. Mr. Minister, you are a member of this Assembly; you have a seat in it. You must be aware that the cabinet passed a series of special warrants to provide interim funding for the first few weeks of this fiscal year, and you've already tabled them in the legislature in the form of the *Supplementary Estimates*. The document shows that you provided interim funding for the protocol office, for instance. There's even interim funding provided so that you can make lease payments for the buildings which you lease. Mr. Minister, if the real estate agents couldn't be kept waiting, why were the day care centres kept waiting? Why wasn't the interim funding provided for the day care centres by the special warrant the same as you did for others?

HON. MR. DIRKS: — Mr. Deputy Speaker, I indicated that the cheques have been sent out, as they should have been. And if the member is aware of any particular centre which is suffering some short-term financial difficulty, I wish that he would indicate that to me and take the time to sit down with me, and certainly we would be in touch with that particular centre to ensure that they are adequately funded.

MR. SHILLINGTON: — Mr. Minister, not all of the day care centres are in my riding. I did not ask you whether or not you were prepared to meet with respect to any particular ones who have difficulty. They are all having difficulty. My question, Mr. Minister, and I'd ask you to answer it instead of evading it, my question is: why were these payments late, and why was the funding not provided in the *Supplementary Estimates* as you did for your friends?

HON. MR. DIRKS: — Mr. Speaker, I haven't received any representation in my office from any particular day care centre. I indicated the cheques have been sent out very recently, and we certainly take our obligation very seriously. If the member is aware of any particular day care centre in his riding, or in any riding which is suffering some short-term financial difficulty because of a delay in a particular cheque being sent out, then I would be more than willing to look into the situation if he would provide me with the appropriate information.

MR. SHILLINGTON: — Mr. Minister, I asked you whether or not you will be frank with this Assembly and admit that the real reason why the delay was simply, simply that this government is desperate for money, desperate to collect interest on the money which should have gone out to the day care centres, and while you are prepared to look after your friends, the real estate companies and so on, you've kept the day care centres waiting for their money, and you've kept the suppliers waiting for their money. Will you be frank and admit that that is the real reason why the day care subsidies were not included in the supplementary estimates?

HON. MR. DIRKS: — Mr. Speaker, I certainly would beg to differ with the member opposite. I indicated we take our obligations to day care centres very seriously. In fact, Mr. Speaker, since 1982 we have dramatically increased the number of subsidized day care spaces in the province of Saskatchewan to better meet the needs of day care here in our province.

If the member does have any particular information with regards to a certain centre that is suffering financial difficulty of a short-term nature because a cheque did not arrive on time, and I have indicated now for the third time that I would appreciate it if you would provide me with that information. No centre has contacted my office, and I would certainly be happy to move to rectify the situation if, indeed, that is the case.

MR. SHILLINGTON: — Well, Mr. Minister, given the vindictive nature of this government when anyone complains about your behaviour . . .

MR. DEPUTY SPEAKER: — Order, order. The member knows that on a supplementary you have no preamble. I would ask you to come direct to your question.

MR. SHILLINGTON: — Mr. Minister, my question, Mr. Minister is: will you give this House your assurance that the May cheques will go out on time if you are as concerned as you say they are? If you're concerned about them, will you send out the May cheques on time?

HON. MR. DIRKS: — Mr. Speaker, this particular department, and this particular minister, and certainly this government takes very seriously its obligation to provide those agencies with the appropriate funds that they need to carry out their services on behalf of the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Mr. Minister, will you at least give this House the assurance that this government will pay for the cost of its mismanagement, and you won't ask the day care centres to pay for the cost of your mismanagement? Will you give this House the assurance that you will pay interest on these payments which are late?

HON. MR. DIRKS: — I can give the member opposite the assurance that we will continue to meet the unmet day care needs in the province of Saskatchewan which the former government ignored when they were in power, Mr. Deputy Speaker — a substantial increase in the number of day care spaces in the last years. We take very seriously our obligation to meet the day care needs in the province of Saskatchewan, and I can give the people of this province the assurance that we will continue to do so.

SOME HON. MEMBERS: — Hear, hear!

Level of Payments to Day Care Centres

MR. SHILLINGTON: — New question, Mr. Speaker. Can the minister tell this House whether or not your department has any plans to change the day care custody levels in the near future?

There has been some suggestion in recent weeks that you're proposing to actually reduce the day care subsidy level for school age children. Is that the plan, Mr. Minister?

HON. MR. DIRKS: — I don't anticipate any change in subsidy levels, Mr. Deputy Speaker.

MR. SHILLINGTON: — New question, Mr. Deputy Speaker. The minister will know that there have been no adjustments at all in the subsidy levels paid to day care since 1982. Each year, as the cost goes up, the day care fees to working parents has gone up, which has forced parents out of high-quality centres in some cases. Mr. Minister, will you give this House the assurance that there will be an increase in the subsidy levels very shortly?

HON. MR. DIRKS: — Mr. Deputy Speaker, as I indicated before, we take very seriously our obligation to provide appropriate and adequate, indeed first-class, social services here in the province of Saskatchewan. And I would like to let the member opposite know what the situation is with regard to day care space funding here in the province.

In the 1981-82, when this Progressive Conservative government came to power, Mr. Speaker, there were 3,648 subsidized day care spaces. In their last three years of their administration, they increased the number of spaces by about 1,100. In the last three years, into 1985-86, we have

increased the number of subsidized day care spaces to low income people here in the province of Saskatchewan not by 1,100, not by 1,200, not by 1,500, but by 1,931 spaces.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. DIRKS: — That's a substantial increase, Mr. Deputy Speaker, from 3,600 spaces to almost 5,600 spaces, which is a clear indication of, I believe, the responsibility that this government has for day care services in the province of Saskatchewan.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. The minister has given statistics for three years — three comparable years — on day care spaces. Would he also give us the same statistics with respect to the level of day care subsidies for the same period.

HON. MR. DIRKS: — Mr. Deputy Speaker, the subsidy level here in the province of Saskatchewan at present is up to a maximum of \$235 a month, I believe, for subsidized spaces. As we determine what is the best way to spend social services funding here in the province of Saskatchewan, we have some very, oftentimes, difficult priority decisions that need to be made.

Do we decide to spend money on young offenders? When that is our obligation to do so, we do that, of course. And this year we are expending something in the order of 3 to \$4 million in that regard.

Do we decide to increase money for handicapped people? That all comes into consideration, whether or not we decide to increase subsidies for day care or whether or not we decide to increase the number of subsidized spaces for day care. We have decided it was more appropriate, Mr. Deputy Speaker . . .

MR. DEPUTY SPEAKER: — Order. I would ask the ministers to keep their answers short.

Uninsured Depositors of Pioneer Trust

HON. MR. BLAKENEY: — Mr. Deputy Speaker, I'll direct this question to the Minister of Finance. My question concerns the biggest business failure in Saskatchewan history, the February 7th collapse of Pioneer Trust.

Twelve days ago you told this House that an announcement with respect to some assistance for the 1,200 uninsured depositors of Pioneer Trust would be upcoming in about two weeks. On Friday you indicated that the announcement would be forthcoming within a few days.

Now, Mr. Minister, you will be aware that in other provinces where there have been trust company failures, you have now failed to give an answer to these uninsured depositors for close to three months — far longer than the situation in Ontario or Alberta. Will you give an announcement now, saying what your government is prepared to do for the uninsured depositors who lost their money when Pioneer Trust failed?

HON. MR. ANDREW: — No, I will not give that response today. I indicated a few days ago when you posed that question that we would hope to have a resolve of it within two weeks. I am confident of that. I was asked a question by the media on Friday. I indicated one would be hopeful an announcement would be done this week, and I still would be confident of that.

HON. MR. BLAKENEY: — Supplementary, Mr. Minister. You will be aware of press reports that indicate that some of the difficulties emanating from Ottawa from your getting agreement with Ottawa is that the chartered banks are vigorously opposing any payments out to the uninsured depositors of Pioneer Trust by the Canada Deposit Insurance Corporation. Is that part of the problem — that the chartered banks are bucking any arrangement you seek to make with Ottawa?

HON. MR. ANDREW: — Any negotiations I've had on that question have been between myself and the Minister of State for Finance, and I would be unaware of what the chartered banks are saying. Certainly they're not putting any pressure, or have never contacted me.

HON. MR. BLAKENEY: — Supplementary, Mr. Deputy Speaker. You indicated that, as I say, 12 days ago, that you hoped to have something within two weeks. I would gather that two weeks will expire on Wednesday. Will you give an assurance to the House that on Wednesday, or at the latest, Thursday, the uninsured depositors will know what their situation is?

HON. MR. ANDREW: — I indicated that I was very confident that I would be giving a statement as and when I said I would.

Safe Grad Program

MR. KOSKIE: — Thank you, Mr. Deputy Speaker. My question is to the Minister of Education, and it deals with the safety grad program which some 200 schools around the province have taken part in. As the minister will know, this highly successful program has been credited with reducing deaths and injuries from drinking- and driving-related high school graduation parties.

Unfortunately, this past weekend the Safe Grad party for some 240 students and their 30 parent supervisors at Sheldon Williams was, to put it mildly, disrupted. In light of the fact that dozens more Safe Grad events are planned around the province in the coming weeks, can the minister tell the House: has she reviewed the circumstances surrounding the Sheldon Williams' event, and can she outline what her research has brought?

HON. MRS. SMITH: — Mr. Deputy Speaker, I believe that we are basically dealing with a question to do with the Attorney General's department and the law.

However, I can indicate to the member from Quill Lakes, in case he has forgotten, Safe Grad is not a government program or just the Department of Education. The history of the program would tell us that, indeed, it has been successful in many areas, as the member has already indicated. The deaths are down, problems with drinking, vandalism, that type of thing.

The experience of the weekend, as I had indicated, is best dealt with the Attorney General, and I would suggest to the member from Quill Lakes that many grad committees, which are made up of various community organizations and various community individuals, will most likely be reviewing some of the processes that they have set up for their own communities.

MR. KOSKIE: — Supplemental, Mr. Deputy Speaker, I would address it, then, to the Minister of Justice, and ask him whether he has, in fact, reviewed the circumstances surrounding the Sheldon-Williams event, and can he outline any up-to-date report in respect to his investigation.

HON. MR. LANE: — Mr. Deputy Speaker, I had asked for an investigation by my officials. I do not yet have a full report. The information I am able to give is somewhat limited, and I obviously will not comment on the cases before the court. I understand there were some charges laid, and at least one charge under the Narcotics Control Act.

The report I have is that (the limited report) when first contacted, the officials involved with the collegiate were advised that The Liquor Act would apply, and that that was made abundantly clear. I am further advised that there were complaints from people in the area during the course of the activities, and this prompted some further action by the RCM Police; finally, that the matter was held in what the police believe to be, although privately owned by Bosco Homes, more of a public facility than the traditional Safe Grad which is a very limited private property, or things like a quonset hut, a hall, and that sort of activity; and that there were some expressions of concern made by the RCM Police prior to the events of the graduation activities.

MR. KOSKIE: — Supplemental. I wonder if the minister will be able to make a report, or a statement of policy as it relates to future grads for other schools and students and parents planning a Safe Grad event in the coming weeks, so that they clearly understand the results of your investigation and a general outline of the purview of the rules as they apply to safety grad events.

HON. MR. LANE: — Well I would certainly be prepared to assure the hon. member and the Assembly that the policy that was laid out, I believe a year ago, would be the same policy, and that the Safe Grad committees can guide themselves accordingly, and I'm prepared to undertake to have that widely distributed if it is necessary. The simple answer to the Safe Grad committees is that there hasn't been a change of policy since last year.

I believe the other part of your question was, or your first question of how much of the report can be made public, I will make as much of the report available to the members of the House as I possibly can, but I think the hon. member knows that when it comes to prosecutions, that that matter is not for public dissemination.

Sales Tax on Used Vehicles

HON. MR. ROUSSEAU: — Thank you, Mr. Deputy Speaker. I rise today to reply to some questions that were asked by the member from Shaunavon last Thursday, and unfortunately the member is not in the House today. I'm sure the other members will relay the information to him. He asked, as a matter of fact, several questions, Mr. Speaker, and I'll start with each one.

Mr. Minister (this is one of the questions) I would ask you whether or not (this, by the way, was directed to the Minister of Finance in my absence), I would ask you whether or not the statement that was made by the Minister of Financial Services that he would not ask for a signed affidavit for the sale of used automobiles has now been changed?

I give the member a categorical no, that the rules have not been changed.

He went on with a supplementary, supplementary question, Mr. Speaker, to say:

Well, Mr. Deputy Speaker, I have here another article (referring to a newspaper article), and I will see whether this reporter too, whether another reporter is going to get lambasted by the minister who can't stand to take some criticism.

And he goes on:

But in the article it says:

Still, licence registration officials to whom the tax is payable will be provided with the standard automobile price estimate to compare against the actual selling price. If the price is too low, an affidavit signed by the purchaser is sought.

And quoting again, he is saying:

The revenue department can arbitrarily slap the value on the vehicle and charge the appropriate tax if the price is too low.

The question he asked:

Is that the position of your government, that when I would buy a used grain truck at an auction and get it for 10,000, if your department believes it's worth \$15,000, I will have to pay an additional tax on the extra 5,000?

Taking one point at a time, Mr. Speaker, Mr. Deputy Speaker, let me say this: that although I'm not going to lambaste any reporter, I'll certainly point to the reporter that he should be a little more careful in his reporting, and a little more accurate in what he is saying and writing in this statement which is, as far as I was concerned in this particular case, very misleading and completely inaccurate.

The article that quotes one of my officials, my official denies having made the statements that are quoted in the press, and they are not at all what the interview was all about.

Secondly, with the indication that an affidavit is required, that is not accurate. There is a form required if the value of a vehicle is indicated to be too low, and it is called a declaration of a low value form.

Thirdly . . . I hope somebody over there can follow it. I doubt very much whether you can, as long as you keep talking, you couldn't possibly follow your nose.

MR. DEPUTY SPEAKER: — Order. Would the minister finish with his answer.

HON. MR. ROUSSEAU: — Oh, yes, I will, certainly, Mr. Deputy Speaker. Mr. Speaker, on the point of the auction sale, to indicate the silliness of this question, if an auctioneer sells an item, a vehicle at an auction sale, he will in fact collect the tax, and I'm sure that the auctioneer will not change the value of the price. If he does not collect a tax, the invoice from the auctioneer will suffice to collect a tax on that.

And, Mr. Speaker, may I also add that all of the dealers, the motor-licence issuers, and the press gallery, all received the bulletin that was issued at the day following the tabling of the budget. And it is all listed — the rules, the regulations, the outline — all listed in the bulletin, Mr. Speaker.

Consumption of Alcohol

MR. SVEINSON: — Just relating for a moment, Mr. Deputy Speaker, to the alcohol consumption by students in this province with respect to graduation exercises, the Premier is recently on record as saying that the government members must purchase alcohol when they are doing their job. I suggest to the government that an example should be set . . . I would ask the Deputy Premier, the member from Souris-Cannington, who just reacted to my question, to stand up and outline the reasons why this government, and the ministers in this government, have to promote this province using alcohol.

HON. MR. LANE: — I thought it was directed to the students, but I . . . (inaudible interjection) . . . I mean I . . . Mr. Deputy Speaker, it's a, it's a rather foolish question, and I'm sure if the hon. member can stand up and say he's never drank, or never served alcohol, then I suppose he would shock most people. But, Mr. Speaker, that's an absolutely foolish question, and if you're talking about the students' situation, which was your prelude to your question . . . (inaudible interjection) . . . The prelude, Mr. Deputy Speaker, dealt with students, that's why I'm on my feet. And I've indicated that I will try and have a report for the hon. members that the safe grad policy is as set out. And I'm surprised the hon. member is not aware of it.

MINISTERIAL STATEMENTS

Amendments Introduced to The Western Grain Transportation Act

HON. MR. GARNER: — Mr. Deputy Speaker, it gives me pleasure to rise this afternoon and speak on behalf of the grain transportation committee of cabinet, comprised of the Hon. Eric Berntson, Hon. Lorne Hepworth, Hon. Louis Domotor, and myself.

The subject of my remarks is the amendments introduced by the federal Minister of Transport to

the Western Grain Transportation Act, which were given first reading last Friday, April 26, 1985, Mr. Deputy Speaker.

The Government of Saskatchewan wishes to congratulate the federal Minister of Transport for the innovative measures being introduced. We have reviewed these measures and find them to be both positive in nature, and of significant benefit to the farmers in the prairie basin and in Saskatchewan.

The amendments not only signalled good economic news for farmers but also indicated an understanding of western Canadian agriculture and grain movement. These amendments, Mr. Deputy Speaker, are: The 31.5 million tonne cap is to be eliminated; the producer representation in the senior grain transportation committee is to be doubled from four to eight. Presently there is only one representative from Alberta and Manitoba and two representatives from Saskatchewan. The amendment representation is to be two from Alberta and Manitoba, three from Saskatchewan, and one from British Columbia and the Peace River region.

Secondly, Mr. Deputy Speaker, the producer's share of the 1985-86 and 1986-87 freight rate will not be higher than the 1984-85 freight rate. If the rates are calculated to be higher, then the railways must absorb the costs above the '84-85 level.

Next, Mr. Deputy Speaker, producers who have incorporated themselves were previously ineligible for election to the senior grain transportation committee, and now will be eligible.

The speciality crop representative was previously an observer on the committee, and now will be a member.

Next, Mr. Deputy Speaker, railways' investment plans previously given to the senior grain transportation committee, grain transportation administrator, and Canadian transport committee will now have to be made public.

Next, the federal government commitment to 1980 regarding the branch line rehabilitation program is to be placed in the Act. Railways will be required to hold annual public accountability meetings, Mr. Deputy Speaker.

Finally, an interim adjustment mechanism . . . (inaudible interjection) . . . Mr. Deputy Speaker, this is very important for the farming people of Saskatchewan. Hopefully the members opposite could co-operate as we are co-operating with the federal government to bring about an economic change for the people of Saskatchewan.

Freight rates will be predicted on the basis of trend line to smooth out the freight rate and thus avoid significant adjustments in the rate from one year to the next. The removal of the 31.5 million tonne cap; doubling the producer representation on the senior grain transportation committee from four to eight; and placing a cap on the grain freight rates for the next two years are especially significant since they reflect a greater emphasis on the producer.

With spring seeding, Mr. Deputy Speaker, just getting under way, the Saskatchewan government feels that the combination of agricultural programs introduced by Saskatchewan Agriculture, the recent grain stabilization program, and the amendments just announced to the Western Grain Transportation Act will certainly provide Saskatchewan farmers with the confidence needed after natural disasters of drought and grasshoppers experienced in this last year.

Mr. Deputy Speaker, this is very good news for the farmers of Saskatchewan. Thank you.

MR. SHILLINGTON: — On a point of order, Mr. Speaker, that is an improper use of the privilege given to members of Executive Council to make a ministerial statement. Ministerial statements are to be used to make statements of immediate importance about provincial programs. They

are not supposed to be used to pat the federal government on the back for a federal government program.

I ask you for a ruling, Mr. Minister, about that as a subject of a ministerial statement. I suggest that's an improper use of a ministerial statement.

MR. DEPUTY SPEAKER: — Order, order! It was very noisy in here at the time that the minister made his statement. I will look at the verbatim and bring back a ruling on it tomorrow.

MR. LUSNEY: — Thank you, Mr. Speaker. I would have to say one thing, Mr. Speaker, that this statement, this ministerial statement, is hardly worth commenting on.

MR. DEPUTY SPEAKER: — Order.

MR. LUSNEY: — This is . . . (inaudible) . . . a program of the federal government. There is nothing here to indicate that this government is going to do anything for agriculture for farmers, Mr. Speaker. I think, as my colleague had mentioned, it's certainly . . . The minister is taking advantage of his position in this House to get up and make a statement such as this.

Mr. Speaker, if the minister would have got up and would have said what he plans to do, or what this government plans to do for agriculture, one could have said that they are doing something. But to announce something that the federal government has done, or has announced, and the stabilization payment which they have already paid out, it certainly is an improper use of this House, Mr. Speaker.

MR. SVEINSON: — I'd just like to comment on the ministerial statement by this minister. The point of order has indicated.

MR. DEPUTY SPEAKER: — Order, order. Order, order! It has been tradition in the House that there is a response from a recognized party to a ministerial statement.

STATEMENT BY MR. DEPUTY SPEAKER

Ruling by Mr. Deputy Speaker

MR. DEPUTY SPEAKER: — Order, order. Before orders of the day, on Friday last, the member for . . . Order! On Friday last, the member for Shaunavon and the Leader of the Opposition raised a point of order to the effect that the Premier's answer to a question he had taken notice of was lengthy and irrelevant.

I deferred my ruling at that time in order to review the record. I now have had a chance to review the record, and all hon. members will realize that it is not the role of the Chair to evaluate a minister's answer to see if it answers the question.

On the other hand, when a minister takes notice of a question, he or she should not respond at a later time with a speech, but should present a brief response to the question.

I therefore find the point of order well taken.

SOME HON. MEMBERS: — Hear, hear!

MR. DEPUTY SPEAKER: — Order, order. At this time, I would like to . . . Order. At this time, I would like to request the co-operation of all hon. members in having a more orderly question period.

ORDERS OF THE DAY

COMMITTEE OF THE WHOLE

Bill No. 41 — An Act respecting the Consequential Amendments to Certain Acts resulting from the Enactment of the Canadian Charter of Rights and Freedoms

MR. CHAIRMAN: — Would the minister please introduce his officials.

HON. MR. LANE: — To my right is Mr. Ron Hewitt, the Department of Justice; Mr. Jim MacPherson, Director of the Constitutional Branch; and Madeleine Hollman, behind me, from the Department of Justice.

There are house amendments, and I believe copies have been submitted to the opposition. They are of a very technical nature.

Clause 1

MR. KOSKIE: — Thank you, Mr. Chairman. I want to first of all, Mr. Minister, make note of the fact that one of the officials that you have introduced today, Mr. James MacPherson, will be as indicated going to a new post, a Supreme Court post goes to a Saskatchewan lawyer, and certainly I want to take the opportunity of congratulating Mr. MacPherson. I know that he will be missed here in your department, but we want to wish him well in his future endeavours; similarly with Dr. Goss who is going on to take another position with the federal government.

In respect to the Bill, I just want to make a few comments, and I think that this is, as you indicated, a first step in the amendments of some of the Acts to adhere to the new charter of rights. I guess the major concern is that what you have not done and is to address some of the significant questions, questions relating to age, as for example the mandatory retirement, and it seems that the government has chosen not to modify the Saskatchewan Human Rights Code, although you indicated that you would be bringing in some amendments which contains a definition of age as being between the 18 and 65.

I think the Bill which is introduced here also does not in any way deal with other discriminatory practices. In the one matter which has been identified by various groups is the area of pensions and annuities where women do not receive pension benefits equal to men, despite the same number of years of service. Those are two items of considerable substance. Those are the ones that have been raised by major groups.

(1445)

And I guess, in bringing in the Bill here, the consequential amendments of certain acts respecting the enactment of the Canadian Charter of Rights and Freedoms, I'm wondering whether the minister can elucidate in respect to what type of a framework he has in dealing with those two items that I mentioned, that is the mandatory retirement, the pensions, discriminatory pension practices as it relates to women. And I suppose that there's another area there would appear to be other legislation which discriminates on the basis of sex, and one which is brought to my attention is in respect to The Homesteads Act, and I'm wondering whether the minister intends to deal with those particular three areas and if so, in what type of time frame.

HON. MR. LANE: — I can respond first to the matter of the homesteads. The changes, the short-term changes would have involved allowing the homesteads protection to apply to either spouse. That would have meant a significant change in forms, and perhaps a very long delay at the Land Titles Office, and finally, it would have meant, in a simple residential house transaction, that both spouses would have to get, basically, certificates of independent legal advice. It would have meant basically involving three lawyers instead of the two at present, which would have meant more cost.

Having said that, those were the short-term problems. The Law Reform Commission commenced a total review of The Homesteads Act some time back. I expect the report this summer, and in my view it was better to let that particular issue stay where it was, await the proposals for a new Act, perhaps invite public discussion if necessary, and then proceed with a new Homesteads Act which will deal with the problem normally dealt with.

Having said that, a couple of the other issues you raise are charter matters and not necessarily clear cut — or, I'm sorry, human rights code changes. And, for example, the matter of pensions are not necessarily clear-cut charter issues. If we keep in mind the override provision of section one of the charter, that some of the pension laws or rules may in fact be upheld by the courts as reasonable. They are not clear cut.

I've made clear my views on the matter of the open-ending of the human rights code which the Leader of the Opposition has asked for. And again, that is not a simple matter. I understand from the provisions, or the comments of the minister, or the Leader of the Opposition, that he wanted it open-ended. That may well mean, in fact, preventing discrimination by virtue or by reason of sexual orientation. That is not a change that we are prepared to make. Secondly, the matter of age discrimination open-ending. That leads to serious problems in my view, and I do have some concerns.

One, taking away the minimum age of 18 leads, or can lead, to some court challenges which I think would be unwise. What would stop a 17-year-old then, saying: well I'm very mature, I'm as mature as a 19-year-old; I should be allowed to go in the bar. And that's the type of case that would be opened up. Or a 14-year-old saying: I've been driving farm equipment on the family farm; I should now be allowed to have a driver's licence because I'm a good driver.

But it also leads to a very difficult question and that is: is it wise to lower or remove a minimum age for legal capacity? And I suggest to the hon. member that that would be very unwise, that if, on an individual basis, those perhaps selling the car to a 14-year-old would be able to go to court and say, that 14-year-old knew full well what he or she was buying and should be legally obligated under the contract.

I say that maintaining the minimum age of 18 as the age for capacity is wise, not unreasonable, and is a proper area of government discretion. And so I understand your position is contrary to that, but that is the position that we have taken.

We will be proposing amendments to the human rights code, perhaps at the top end, but again we do not want to be in a position of prejudicing contributors to pension plans who may be severely prejudiced if we open that top end. So it has to be done carefully.

It's a matter of serious consideration by the government, but a difficult question, and admitted difficult by the Saskatchewan Action Now committee that realizes the ramifications of just open-ending of the whole matter of age.

You're right, it is a start, and a start is all it is but, I think, a welcome one. We have indicated that we are proposing or considering a new mental health Act which will deal with many of the areas not specifically set out in the Bill.

So there are areas raised which it was never the intention of the charter review to deal with, and there are some substantive areas — for example, age, mental health, sexual . . . the matter of sexual orientation or sexual equality — which in our view are not simple charter matters and may take either subsequent legislatures to change or may take court review of court decisions to modify.

MR. KOSKIE: — The area that I raised specifically was the mandatory retirement. And we have,

as you know, the mandatory retirement, and that is of concern to a lot of people. And what I was really asking, in respect to that: is it the intention of the government to deal with that, or is it the intention for that . . . for the individuals to work their way through complicate court actions in order to get a position on it?

In other words, what I'm asking is whether your department, and as Minister of Justice, whether you are going to be coming forward to deal with mandatory retirement specifically.

HON. MR. LANE: — Well, we will be bringing proposals for amendments to the human rights code which I'm optimistic will deal with the matter of mandatory retirement or some modification thereto. It will not be open-ended as requested by the Leader of the Opposition. I've indicated my concerns, and just as an assurance to the hon. member in terms of government pension s that from 1982 on, the tables are what are called unisex tables, so that the beneficiaries are paid the same amount — these are on the government's money purchase plan — and so from government's pensions the problem is being dealt with.

MR. KOSKIE: — Another area that I would like your comments and that is, it would appear that the government is moving to remove the reverse onus provisions contained in the various legislation. What I would ask you, have you done a detailed analysis of all the legislation, Saskatchewan legislation, and are you proposing to remove those from legislation, the reverse onus provisions?

HON. MR. LANE: — We have removed about 10 references to the reverse onus provisions. Where we are satisfied that they are not clear violations of the charter, we are maintaining them in statutes, subject to judicial decision.

Just to ease the member's mind, I would suspect that over time we will find the challenges to the charter will not be on complex matters so much, but where the discrimination is somewhat obvious and is a relatively safe case. I think that will be the practice over the next couple of years.

MR. KOSKIE: — Well, there are a number of reverse onus clauses within the highway traffic . . . dealing with offences under The Vehicles Act, rather. And I was wondering, I don't see that you have eliminated some of those provisions. Are some of the reverse onus clauses an essential one still in some of the legislation?

HON. MR. LANE: — We have removed one, if you check section 40 of the Bill, and that deals with the reverse onus on speeding. That is no longer applicable. That is probably the most commonly utilized one in The Vehicles Act. Our advice on that one being if the prosecutor's . . . you simply file your certificate anyway, so it doesn't change things that much.

Any others that are still in place, we are of the view they do not contravene the charter.

MR. KOSKIE: — In respect to — in the United States, I'm advised, that where cases involving the federal government, where individuals have a case that goes, involving the federal government, raising constitutional issues or arguments, I'm advised that the government will pay at least a portion of legal fees for claimants involved. And I was wondering whether there has been any discussions, whether the provincial government is in a position to indicate that they would provide citizens seeking their rights under the new charter, any assistance in respect to the payment of the legal costs, and/or whether you have had any discussions with the federal government indicating that they would be prepared to pay a portion, at least, of the costs brought about by an individual seeking his rights under the constitution.

HON. MR. LANE: — Well, I'm advised that in the United States it's not every case, and it's very select — very select cases; I assume that it would be of pressing public importance. We have no plans to fund any charter challenges.

MRS. CASWELL: — Thank you. I would like to make a statement about some of my concerns about this charter, and my concerns are shared by many women and many pro-family groups.

One of the first things that we are concerned about, and the Minister of Justice correctly identified the problem, is that the no-age discrimination in the charter not be used against children so that people can exploit them in ways that would be harmful to them, or that people who view the family as an outdated institution cannot manipulate the situation that children would no longer have the protection of home, and that the state would make decisions about them that would be absurd and harmful.

For example, do we want no — a pornographer to be able to strike down the laws that say this such-and-such magazines or films are not available to someone over, under 18 or 19? Do we want laws that say child pornography is legal under free expression? Do we want laws that say — assuming that absurdity reigns and we legalize prostitution — do we want 12-year-old prostitutes on the street protected by the so-called charter under no-age discrimination? And do you think, well, because the charter is based on reason that these must be reasonable, this will not happen. But I think that we can all concur that sometimes courts and politicians do not make reasonable statements. We may, however, disagree on what these were or were not.

I have before me a child's bill of rights written by *MS Magazine*, which is a feminist magazine in the States. They talk about some of the child's rights they should have — the right to economic power. Children should have the right to work, to acquire and manage property, to receive equal pay for equal work, to choose trade apprentices and alternatives to school, to gain promotion and leadership positions, to own property, to develop a credit record, to da da da da da da da.

Well I might say that in the Industrial Revolution the children had the right to work and were in the mines when they were five years old. But fortunately we have progressed to the point that we understand that we need to protect our children.

(1500)

It talks about the right to political power. Children should have the right to vote and presumably to hold office. Now I would say as pure political pragmatism, in my household that might be a good idea, but I don't think it would really help the institution of democracy that people are buying votes with ice-cream.

I would also like to read from the "Women and the Charter of Rights" from REAL (Realistic, Equal, Active for Life) Women of Canada. REAL Women of Canada was an organization that created a very needed void in the political . . . or filled a very needed voice in the political spectrum. For a long time, there has been one or two, often tax-funded, women's groups who've claimed to speak for 52.4 per cent of the Canadian population. They say they speak for the women, whereas many women often disagree, what with the National Action committee on the Status of Women.

These groups are often tax-funded by society as a whole. You do not share the abuses of society as a whole. REAL Women of Canada is an organization formed to contest the radical feminist interpretation of the charter. Some of the things they are concerned about is what they call gender-free legislation. REAL Women of Canada and myself are not opposed to equal opportunity. We natural support all equal opportunity.

We are, however, opposed to equal results. And we are opposed to two different groups being treated as one. We are opposed to legislation that may take away perfectly logical natural protection from women and children.

But however, even with the charter as it now stands, under section 15(2) it says:

Subsection (1) does not preclude any law, program, or activity that has as its object the amelioration of conditions or disadvantaged individuals or groups, including those that are disadvantaged, because of race, national or ethnic origin, colour, religion, sex, age, or mental or physical disability.

Now I hope that this will be used to soften the perhaps observed extremes that you could get into by section 15(1). I do not think being a wife and mother is a disadvantage, but it certainly is a responsibility that the law and society has allowed to be protected because of its importance in society. And I do not want to see a state such as we have in Sweden where the role of wife and mother is seen as parasitism and that a woman is not considered to be contributing to society unless they are working.

And what is the response to that is that the state endorses day care at a very, very early age, and it is very difficult for women to be career homemakers and to have that as their sole job. I think that the role of wife and mother, as a protected vocation, must be protected in our laws. And this group, REAL Women of Canada, founded by lawyer Gwen Randall, is one of these groups who will be speaking of this concern.

It seems sometimes, especially as we look at the constitutional fights in the United States, that they have interpreted laws according to fads and have used the laws for social engineering rather than upholding tradition. I tend to think that often a radical group chooses to use the courts and orchestrated lobbying to get changes they would not be able to do through the elected process which is more democratic.

I am concerned that in any of our continuing debates and discussion about the constitution that there will be not tax-funded money going to one group of women, and another group which may hold a different view are denied that tax money. Because this is a way of unbalancing the results, the National action committee for the Status of Women, I understand (and I received this information from REAL Women of Canada), has a legal defence fund, much of it raised by tax-funded money, to contest the charter in ways in which they would like.

So often who gets to shape the charter rulings in our society will be who will get in the courts first with money. And I think it's extremely important that the legislators do not manipulate those results by funding one group of radical women or radical men, and who may go in a direction that the majority of women and men do not want in society.

The equal rights amendments in the States was defeated, not by a handful of lawyers, but by the groundswell of women in the United States because they saw this as a threat to their life-style, and because they saw that the courts could interpret it in absurd ways that would harm democracy and the institution of the family. Our charter is prefaced by the . . . that it is for the family, based on the premise of God and the family.

And with these concerns I will close my remarks about this Bill. But I wish to get it on record the . . . This charter does not have property rights. This charter, in some ways, is a blank cheque from which tax-funded lobby groups, or high pressure groups, can remake society in the way in which they want. And it's just people, such as myself and others, are just beginning to wake up to the possible dangerous implications of this charter.

So I might end this . . . the charter and constitution, which in many ways was foisted on us by the undemocratic manipulative process instigated by Trudeau with the help of the NDP, and I'd just like to say the fight about the charter has not finished, but for many of us it has just begun.

Clause 1 agreed to.

Clauses 2 to 8 inclusive agreed to.

Clause 9

MR. KOSKIE: — Under this proof of non-receipt, what is the substantive change there that you have under The Corporation Capital Tax Act is repealed and a new section 48 . . . What is the significance of that particular change there?

HON. MR. LANE: — This is one of the reverse onus provisions that has been removed, which would have put the complete onus on the taxpayer to show that the tax was paid, and that reverse onus is now removed.

Clause 9 agreed to.

Clause 10 agreed to.

Clause 11 as amended agreed to.

MR. CHAIRMAN: — I wonder, with the consent of both sides, if we might, consider going page by page, 3 through 16.

That is agreed? Carried.

Clauses 12 and 13 agreed to.

Clause 14

MR. CHAIRMAN: — Clause 14, with the amendment, section 93(2) of The Election Act, as being enacted by subsection 14(8) of the printed Bill, is amended by adding “and” after “92.”

Is that agreed?

MR. KOSKIE: — I was back on 14. I was standing here five minutes. Yeah, I just want to get a clarification from the minister. I take it, Mr. Minister, in clause 14 it's really providing there for one new class of voter. Am I correct in that? In dealing with the person who is in remand, and does it cover any other groups other than the remand?

HON. MR. LANE: — No.

Clause 14 as amended agreed to.

Clauses 15 to 43 inclusive agreed to.

HON. MR. LANE: — Before I move to report the Bill, I would like to thank my officials, Mr. Chairman, and I would particularly like to thank Mr. Jim MacPherson who, as the opposition critic mentioned, will be leaving the province to become chief of staff to the Supreme Court of Canada.

(1515)

It's a credit to Mr. MacPherson that he is appointed to such a position, the first such appointee. He will be a loss to the Department of Justice and the legal profession in Saskatchewan. I have enjoyed very much working with Jim. Over the last three years it's been a particular pleasure. And I know that all hon. members will join with me in not only thanking Jim MacPherson for his efforts on behalf of the government, the department, and the people of Saskatchewan, but also take the opportunity to wish him very well in his new endeavours.

SOME HON. MEMBERS: — Hear, hear!

The committee agreed to report the Bill as amended.

THIRD READINGS

Bill No. 41 — An Act respecting the Consequential Amendments to Certain Acts resulting from the Enactment of the Canadian Charter of Rights and Freedoms

MR. DEPUTY SPEAKER: — When shall the amendments be read a first time?

HON. MR. LANE: — With leave, now.

Leave granted. Carried.

MR. DEPUTY SPEAKER: — When shall the Bill be read a third time?

HON. MR. LANE: — With leave, now, Mr. Deputy Speaker.

Motion agreed to and Bill read a third time.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 52 — An Act to amend The Highways and Transportation Act

HON. MR. GARNER: — Mr. Deputy Speaker, earlier in this session I announced that this Progressive Conservative government would be unveiling a new signing strategy for the people of Saskatchewan.

I told members of this Assembly that the small businesses and unique attractions of rural Saskatchewan would be the winners of this signing change. Mr. Deputy Speaker, in part, amendments to The Highways and Transportation Act, now being considered, address this promised signing policy change. Additional amendments to the Act deal with closing loopholes in our permit procedures. But first I would like to concentrate my remarks on the amendments affecting signs.

Mr. Deputy Speaker, the strength of the Progressive Conservative government is its belief in people. We understand that common sense is all that people ask of their government. We know that as long as we believe in the honesty and integrity of people, our common sense approach to government will never be overturned.

Now before we came to office, many of our small businesses and recreational facilities in rural Saskatchewan were not being listened to. They had been asking the government of the day for special consideration to communicate with the highway user in this province. All that they asked was consideration be given to highway signing that would direct business or tourists to their door, a very honest and simple request.

Mr. Deputy Speaker, these businesses and attractions are off the beaten track. They are not located next to a main provincial highway. They do not benefit from being located where other businesses or attractions can place signs on their premises. Now the government of the day turned a deaf ear to these simple requests, that being the previous administration. They made up all sorts of excuses about cluttering the highway and so on. Sadly, Mr. Deputy Speaker, these small businesses and local attractions suffered.

But this Progressive Conservative government will not be so cold-hearted, Mr. Deputy Speaker.

It has taken some time and a lot of dedicated effort on behalf of my officials to prepare for these amendments. And I want to thank all of the officials and all of the general public that had input into the changes that are coming about.

What we have before this Assembly are the necessary changes to the Act that will give just recognition to these common sense requests from people. Mr. Deputy Speaker, these amendments will lay the groundwork for new regulations that will detail the private signing program.

Now I would like to offer a word of explanation. The private signs will conform to signing standards and a uniform design that will make them visually attractive and easy for motorists to read. The signs will not permit advertising, but simple identification of the business enterprises, services offered, and how to get there.

An off-highway business will be able to place a sign along a highway on private property. Locations will be controlled to ensure no problems with safety occur. To be signed, a small business or a unique attraction will have to apply for a permit. It has to be located outside an urban area and away from the highway. In other words, Mr. Speaker, we will not be permitting advertising and promotional billboards along our highways to spoil that view, just simple identification signs for small businesses.

The amendments before us make provision for issuing permits that will allow the erection of signs off the highway right of way, giving information about adjacent agricultural research; demonstration or promotional projects by non-profit organizations such as 4-H clubs and dairy producers; the erection of signs pertaining to wildlife management activities as protected areas; and special instructions such as hunting on foot only; businesses and agricultural enterprises outside of urban areas and not adjacent of a provincial highway to erect identification signs, off the highway right-of-ways, directing motorists to their premises.

Non-profit, religious, or community organizations whose premises are outside an urban area and not adjacent to a highway can erect signs off the highway right-of-way directing motorists to their facilities; signs to be erected for the public safety and protection that inform motorists about established areas or programs such as warble fly control area and crime watch.

The Highways and Transportation Act presently does not enable regulations to be made to control private signs erected adjacent to provincial highways. Regulations will be allowed control of private signs to avoid interference or distractions for motorists.

Section 75(1) will enable the department to prescribe fees to offset the cost to investigate the site proposed for private signs, and to collect the full cost of official signs erected by the department for the benefit of a person, business, or enterprise.

Under Section 75(2) the minister, when making regulations or authorizing a sign to be erected, may consider the visual quality of the particular sign and the clarity of the message on the safety of motorists, and the impact the sign on the visual environment along the provincial highways.

Mr. Deputy Speaker, this constitutes the heart of the amendments before us in relation to highway signing.

With regard to loopholes in our permit system, I would first like to outline the problem. Over-dimension permits sometimes containing a conditions required for the safety of the travelling public — often these conditions are not met since there is no offence for a violation. In other words, we can't enforce the permit requirements.

By amending subsection 72(1) of the Act to create specific offences for exceeding a permit dimension or violating a permit condition we will give some enforcement strength to our

permits. The penalty shall remain the same — the general penalty for exceeding a legal dimension — of not more than \$300.

A similar loophole exists in weighing overweight violators. Subsection (7) of the Act allows a person to use a federal scale found at a grain elevator to check his weight if he has been charged with an overweight offence using portable scales.

Section 8 states that if this option is chosen, then the weights from the portable scale cannot be used as evidence. However, the weights from the federal scale do not have to be submitted as evidence at the time. Simply by stating the intention to use a federal scale a person can avoid an overweight charge. The Crown has lost one case in court so far based on this defence, and more are pending.

The solution is to amend Section 72(8) so that a person who intends to rely on the use of a federal scale must produce a weight certificate which can be used as evidence in court. Failure to produce this certificate would mean that weight from the portable scales could then be used as evidence.

Mr. Deputy Speaker, this concludes my remarks to you concerning these amendments. These amendments make good, common sense and deserve this Assembly's full support from all members. With that, Mr. Deputy Speaker, I move second reading of an Act to amend The Highways and Transportation Act.

SOME HON. MEMBERS: — Hear, hear!

MR. LUSNEY: — Thank you, Mr. Speaker. The minister, in his moving of this Bill, states how much of a benefit it's going to be to the people of Saskatchewan, stating that it's a common-sense Bill. It would be nice if the minister would use some common sense and do some of the things that are required in this province, and that's to put some money into highways.

He was saying that these signs are going to be a real benefit to the people. Well, Mr. Speaker, undoubtedly signs are always an advantage to someone that's travelling down the road and would like to know where he's going, so that's something that certainly will be a benefit.

But the minister is not going to provide this. He makes it sound as though somehow he is going to be doing this. But if anyone wants a sign out there to indicate where that place of business might be off the highway, or along the highway, the minister says that they are going to have to pay for that. And not only will they have to pay for those signs along there, but they are also going to have to pay for someone to go out there and investigate whether these signs are required, or whether they'll be put in the right place, or where they should be put.

So the minister is not providing anything, Mr. Speaker. All he is telling the people of Saskatchewan is that once again you are going to be paying a little more if you want anything from this government. That's what the minister is saying, Mr. Speaker.

And what I think the minister should be doing, if he is serious about providing a service to the people, is to go out there and say, yes, if you have something that's off the highway that people should be attending, whether it's a historical site or whether it's a non-profit organization, then the government should be able to put up a sign there that would indicate to the public where they can go to get the service that's required.

And, Mr. Speaker, when a private individual has to apply to the government to be able to put up a sign indicating that his business is located here along the highway, and the minister says that before we allow you to put it up there you are going to have to pay for it, now, Mr. Speaker, this is the government that said when they got elected that we are going to remove all of this red tape. The business people of this province will not have to worry about red tape anymore. But

what do we see here? You are going to have more red tape, and you are going to have to pay for it on top of it, Mr. Speaker. That's what this minister is telling us today.

Mr. Speaker, I don't really have too many objections to what's in the Bill. It's just the way the minister presented it, and what he is asking people to have to do. And what the minister should be doing is maybe assuming some of that responsibility and cost himself, and providing the service to the people rather than asking the people to pay for everything that they do, while they are very extravagant in their own spending.

(1530)

MR. KATZMAN: — Mr. Speaker, just to clear up some misconfusion that was said by the member from Pelly.

Prior to this piece of legislation, nobody was allowed to put up a sign at all. Now if they so wish to put up a sign, they will be able to do so at their own expense, which is correct. But before, when they were government, they wouldn't even let them do it. Now we are giving them the option which they have asked for and have requested, and the minister with common sense has said, certainly, that makes sense if you have a major attraction. Let's take Coronach power station, for example, which is about 20 miles off the major Red Coat Trail, and they wish people to know when the touring hours are, so when you can have a tour of the plant.

So that will be listed on their sign, so when you're driving down the highway at 5 o'clock you'll know if you can have a tour, or can't have a tour, so should you drive that 20 miles or shouldn't you drive that 20 miles. That's what this is: common sense legislation allowing those that wish the permission to have signs to have them. And I hope all members support the legislation.

SOME HON. MEMBERS: — Hear, hear!

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

Bill No. 33 — An Act to amend The Wascana Centre Act (No. 2)

HON. MR. McLEOD: — Mr. Deputy Speaker, it's my understanding that this Bill . . . in fact, this Bill was initially referred to the Non-Controversial Bills Committee, and I believe it's back here because of a typographical error that needed to be cleared up.

So although the minister that is responsible for the Wascana Centre, the member for Wascana, is not available today. I will, on his behalf, move second reading of Bill No. 33, An Act to amend The Wascana Centre Act, (No. 2).

HON. MR. BLAKENEY: — Mr. Deputy Speaker, I just have one query with respect to this Act, and I will ask it in committee, and give notice now: I want to know whether the city of Regina is in agreement with the Act. It, in effect, moves some responsibilities from the Wascana Centre Authority to the city of Regina — adds to their expense. It appears to be in order, since it's a city of Regina installation.

Would you request that the minister have that answer available in committee, and that will expedite the work. Thank you, Mr. Deputy Chairman.

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

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

AGRICULTURE

Ordinary Expenditure – Vote 1

Item 1 (continued)

HON. MR. BLAKENEY: — Mr. Chairman, I'd like to ask the Minister of Agriculture a couple of questions. Mr. Chairman, and Mr. Minister, you will know that this vote, compared with last year's vote, imposes a very heavy extra tax on farmers. And I am asking the minister why he believes that in this year, 1985-86, farmers are much more able to pay substantial extra taxes than they were last year?

And of course I refer to the home quarter tax assistance program, and I ask the minister why he imposes this extra tax on farmers?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, this is . . . The question that you ask, at least I think it's your perception, it's your perception that on one hand you would suggest that because we've removed the home quarter tax rebate and imposed this — and that you call, by removing it, placing a tax burden on him — and why have we done that, and this budget doesn't seem to pick it up anywhere else.

Well, I would suggest to you that the realities of the world today were in part, as the Minister of Finance outlined, that we had a lot of paper going from one hand to the other, in fact, just to administer those programs, and, in fact, maybe we're losing up to one-third of the monetary benefit in the first place just doing that alone.

But the larger question is that the realization has become this in the farm communities, that the \$230 rebate just doesn't do much out there any more. And I agree. I agree. Every little bit helps. And I think that was 13 or 14 or \$15 million. It's a substantial number into rural Saskatchewan. So I agree with you — it does help.

But the ideas was to shift that pressure off the property tax by taking that \$400 million collected from the flat tax, for example, and putting it into education so you reduce that pressure at the property tax level.

And in so far as our commitment to Saskatchewan farmers . . . I mean, you can talk about the removal of the home quarter tax rebate, and how \$230 may or may not cause the demise of the family farm. And I've already been into that in my budget speech.

But let's look at the key issues facing farming today. And what were they? When you went around and were in Weyburn, for example, did you hear a lot of people say: boy, I hope I get that home quarter tax rebate next year? Or did you hear things like this: interest rates are the problem; what are you going to do about interest rates? Chemical prices: those are the problems; what are you going to do about those?

And so that's why we've taken our commitment to control and reduce interest rates. For example, in the Farm Purchase Program last year, I think \$13 million voted for it. This year, 22 million. The Ag Credit Corporation of Saskatchewan, I think this year's commitment will be something like \$5.5 million for interest rate relief.

Now there's \$30 million in interest rate relief. You know what you were doing with 30 and \$40 million when we took office? Buying up the farm land. Now if you had taken even part of that money and wrote down those interest rates from 18 and 22 per cent to 8 per cent, some of those young farmers today wouldn't be in trouble. So what we . . .

And as well, to do with the chemical costs. As you yourself said in the budget address, in your budget speech, what are you going to do about chemical costs? Manitoba's called for a federal review, I stood up in here and I said, "Look, we could wait for everybody to do reviews. We're going to do one ourselves."

And that's what we're doing, is attacking the big costs on the farm, looking for the cash flow. If you think \$230 is going to save the farm out there today, you're out of touch with reality. We lobbied the federal government to bring in, chain it to the Grain Stabilization Act, so they could get 8,000 and 10,000 and \$12,000 in their hands. That's the kind of money farmers need today.

And as I said before, I don't suggest for a moment that \$15 million is anything to blink at. But \$230 on the farm today doesn't go very far.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, I don't know where you're getting that \$230 figure. I am talking, first, about the Home Quarter Tax Assistance Program which farmers tell me averages 275, 300, \$325. That's what they tell me.

On top of that, they have their property improvement grant, which is \$375. So we're looking at 6 or \$700. And that is a reasonable and modest estimate of what farmers were getting, which they will not now get.

Now it is true that farmers talk to me about interest rates, but they also talk to me about cash flow. They talk to me about being short of cash, and I didn't find any of them who were urging that they shouldn't get the \$700. Some larger farmers would think that \$700 was a small part of their total cash flow of 100,000 plus, or 150,000 plus. But many farmers are not in that class. Many farmers find that to be deprived of \$700 cash which they got last year does eat a hole in their net. And when you're getting a net of \$10,000, as many farmers are, then \$700 less is \$700. It's not a nothing. It's 7 per cent.

And while I don't mean to build anything on these figures, I trust the minister will concede that he has raised taxes for farmers by removing the home quarter tax assistance plan. And if you don't agree with that, I am puzzled. But I want to ask you whether or not you agree that that's a tax increase, and whether or not this was a good time to have a tax increase for farmers.

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I think it's worthy to note out that first of all those rebates were taxable in the hands of the farmers. So it's in many cases diluted their usefulness. Point number one.

And point number two, if you're trying to suggest that we as a government, we as a department, have not attempted to deal with the cost-price squeeze and the cash flow, which was your question, then let's check the record. Let's check the record.

A year ago, did the farmers have the tax, the federal taxes off their fuels? And how much does that mean? Is that worth at least \$230?

You know what people are telling me? They reckon that that will save \$1,500 to \$2,000 for farmers. Now there is the kinds of fundamental structural change you've got to look at. I mean, you can talk about your \$300 gas rebates or your \$230 property rebates till you're blue in the face. But the numbers that count are numbers like this. Now we cut our federal taxes off fuels — 1,500 to \$2,000 saving. Grain stabilization: we couldn't get an interim payment out of that. We lobbied for it. For those farmers that contributed the maximum, \$8,000. That's the kind of numbers that farmers need to hear.

Crop insurance: made some changes there. Average payment, \$9,600. Farm Credit Corporation write-down, save another 4 million. The increase in the two-price wheat system alone put \$27

million in their hands. How does that square in terms of evening off the \$15 million we lost through the property rebates?

Check the record. These are the important kinds of numbers. The Livestock Investment Tax Credit: on average, \$1,072 — 1,072. And the hon. member scrunches up, scrunches up his face. And if you would like to continue to give the tax write-offs to the rich, apparently. We say, let's have a tax credit for farmers, and if you're against that, and if you're against tax increases, with that tax credit the hon. member will know that they can reduce their taxes to zero — to zero. Now did they ever get their taxes to zero under your NDP administration? I ask you: could you get your taxes down to zero, your provincial income taxes payable to zero under the NDP? I would submit not.

HON. MR. BLAKENEY: — Well, Mr. Minister, first I want to remind you that the property improvement grant is not \$200, not \$230, but \$375 for the great bulk of farmers. I trust you agree with that. And then we turn to the home quarter tax assistance Act, and that is another \$300. We're talking about \$675 thereabouts, and many farmers tell me they got \$325 or thereabouts for . . . You could work it out for yourself. It is all of the property taxes on the home quarter.

(1545)

Now that is unquestionably, it is an increase in taxation to remove that, and the minister can say that the federal government has done this and therefore he can . . . the federal government has cut taxes, and therefore he can jack them up, and that's his argument. The federal government has cut taxes on farm fuel, he's cut . . . so he says, and I'm not arguing that point. There weren't any provincial taxes on farm fuel and he will know that. And he says that means that we can raise ours, that we can raise our taxes. And I don't think that that's a responsible position for the Minister of Agriculture to take. Now let's be clear that they have raised taxes for farmers.

Last year they put on the home quarter tax assistance rebate, and it was a tax cut. And don't take my word for it. I will quote the Minister of Finance last year.

It gives me great pleasure to announce a significant new tax cut for farmers. In 1984 we will introduce a Home Quarter Tax Assistance Program.

And under that program, that tax cut, the farmers got \$16 million. Now they've taken that away. They've taken the tax cut away. They have taken the tax cut away, and that is a tax increase. There's no way you can take away a tax cut without it being a tax increase. Not even the minister can convince a farmer that if last year it was a tax cut, to take it away today is not a tax increase. Nobody's going to believe that.

And so clearly we have an additional tax on farmers of over \$16 million, and there can be no question of that. The money is in the . . . clearly announced in last year's budget and in the *Supplementary Estimates*, adding up to \$16.1 million. Last year that was distributed to farmers and it was a tax cut. In the words of the Minister of Finance, this year it is not going to be distributed to farmers; and it's a tax increase. It can't be otherwise.

And I ask the minister how he can justify increasing provincial taxes by an extra \$16 million this year on the grounds that some federal taxes have been cut. Why do you pick out farmers to victimize, because surely this is a very large part of the total rebate program you're eliminating — \$16 million for home quarter. My bet is that there would be another \$20 million of property improvement grants for farmers. You can correct me if my figures are wrong. So we're looking at around \$35 million in extra taxes for farmers that your government has levied. And your justification here today is that the federal government has cut some taxes on farm fuel. You have just made your justification . . . (inaudible interjection) . . .

Well, Mr. Minister . . . The minister says I am warping his justifications. Will you answer two

simple questions: one, do you agree that farmers will be getting approximately \$35 less in rebates for property taxes this year than they got last year? That's question number one. Two, if this is so, what is your justification?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I could use the same logic and choose to selectively ignore certain other facts as well. Now you're quite right that if you add up the average on the home quarter which is \$230 as I understand it, and what is it for the property improvement — you said \$375? — that brings us to \$605.

Okay. On one hand you're saying, here's the travesty: we have lost \$605. And I agree. I don't like any losses either, and I said that up-front. But if you're trying to suggest that we aren't committed to our farmers, then I want to compare that to what they have got.

Let's look at some meaningful rebates, not the \$89 gas rebate that you put in place and took off, and you selectively choose to ignore that. You put it in place twice, I'm advised, and took it out twice. Okay. But let's look at the meaningful kinds of rebates we've put in place.

The Farm Purchase Program. Is that \$200 or \$300 or \$375? No. For the young and beginning farmers it's, on the average, something approaching \$5,000. Okay. The Livestock Investment Tax Credit: on average, \$1,072. The gas tax: you selectively ignore that one. Now there's a \$70 million boom to rural Saskatchewan, I would suggest. But you select selectively ignore that one.

Let's add up my column: \$5,000 for the Farm Purchase Program rebate; \$8,000 for the grain stabilization per farmer; \$9,600 for crop insurance; fuel, federal tax removals, 1,500 to \$2,000; livestock investment, \$1,072; two-price wheat, 27 million; HY320, 120 to 240 million. Now whose columns do the farmers want to compare out there.

Now you can continue to grovel around with this Massey 44 mentality or learn to accept and understand what the realities are on the farm out there today. And \$230 just doesn't cut it any more. In fact, the farmers were saying to us, why are you having all these guys, on one hand, collect it, and then have a whole bunch more people fork it out on the other hand.

Now everybody is in favour of lower property taxes. And that's the point I made right at the outset, because we recognize that our farmers need support. We've given it to them in many and varied ways, not the least of which when it comes to property tax. It would take \$400 million, which was putting the pressure tax on the education side, and put it into education, directly into education.

I know you understand that, because you're into mumble-jumble, googly-gook economics over on that side. It's just like when you came to this House with this idea of \$30 an acre for Saskatchewan farmers, an one and one-half billion dollar price tag to it. Another example of economic illiteracy. Let's look at the real world in farming today and acknowledge it and help them to become not only copers and survivors and competitors in the future, but winners.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, obviously the minister has a different view of the concerns of farmers out there than some of us do. I want to make an obvious point: he is talking about, let us say, the gasoline tax removal. Mr. Minister, there wasn't a gasoline tax last year when you brought in your budget last year. You still announced a tax cut for farmers in 1984. You said it was a good idea in 1984. Now why isn't it a good idea in 1985?

And I'm going to ask you that question, and I'm going to ask another one too. But you say that the sending out of these cheques is a bad idea. Why was it a good idea last year? Why did you expand it last year and take it away this year? That's one point.

Secondly, I ask the minister whether or not he feels that grain stabilization programs and crop insurance programs, which are insurance programs, paid for by farmers and federal government

and provincial government — and merely because they clicked in last year, and merely because the insurance became payable last year because the losses were sustained last year — you say that's a justification for taking off the property improvement grant and the home quarter tax assistance grant. That's what you have said.

Farmers want us. They want to look at this column and when they see this column, when they see that they had a loss under crop insurance and got paid for it, they will be happy to see their property improvement grant and home quarter tax assistance grants gone. I don't think they will.

And you give further justification for the Farm Purchase Program, which is perhaps as many as 3 per cent of farmers . . . (inaudible interjection) . . . Perhaps as many? Do you suggest that there are as many as 10 per cent of farmers getting any benefit from the . . . And then we have the . . .

Mr. Chairman, I am asking the minister very simply: why was a program which was a good program last year, announced with a great deal of fanfare, announced with a great deal of fanfare by the minister's colleague, the Minister of Finance, and trumpeted by the Minister of Agriculture when his estimates were before this committee, why is that program no longer a good program?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, it's a good idea to help farmers reduce their property taxes, and why we're doing it this way is because we found a better way, a smarter way, a more efficient way of doing it. We just took the money and put it right in education. That's why we changed. It was because it was a better way, a more efficient way.

And the other reason that it's notable to raise the safety nets and what they can do for farmers, is if you make them work and make them work right, they can be meaningful. The Trudeau-Broadbent coalition wouldn't amend the grain stabilization legislation to have an interim payment. We've got that. We lobbied for it and we got it and it's put some substantial dollars in the pockets of farmers this spring.

And in so far as the Farm purchase Program, which you would like to denigrate and say that it's only helping 3 or 4 or 5 per cent of the Saskatchewan farmers, who is it targeted at? Would the farmer friends that you know, would both of them, would both of them have been happy putting it in the hands of the farmers of net worth of a million dollars? By doing that I would suggest this is what would have happened. By making 8 per cent money, or 4 per cent of preferred interest rate available for everybody, anybody who has any understanding of what takes place in the farm economy would know this would happen. You would put . . . You would drive the price of land up just like the land bank did when they were in there bidding, the biggest bidder in the province.

Now if you make preferred interest rates available for everybody out there, the guys who've got the big net worths, I would consider it irresponsible in fact, to take the taxpayers' dollars and subsidize somebody who's got a net worth of a million dollars. Now you might not, but I would.

And it's always been our view, and it will always be our view, that we're interested in helping the young and the beginning and the smaller and the establishing farmer, and by the end of this fiscal year I would suggest to you that we will have close to 7,000 young beginning farmers that have received assistance.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. HEPWORTH: — And you can wrinkle up your nose at that. But compare it to what the young farmer had out there before. He had the land bank chasing up his prices. Interest rates at 20 per cent, nothing at 8 per cent, interest rates at 20 per cent.

And how many, in 10 years how many did you help? Did you say that 6,000 or 7,000 isn't enough? In 10 years with that miserable example of help that you called the land bank for

farmers, how many did you help even become tenants? Is it 6,000? Was it 5,000? Was it 10,000 in 10 years? No, it was 2,750-some-odd. And of those who became owners, the track record is even worse — 151. So I can't understand how you can have the gall to stand in the House here today and suggest that we haven't helped young farmers and helped them in spades because we have, and the record clearly shows it. It's not \$40 million to buy their land. It's \$40 million to help them own their land and be off things like high interest costs.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, it is very obvious the minister wants to talk about some of the programs of the year before last and the year before that. He doesn't want to talk about this budget, and I want to talk about this budget, and I want to talk about the home quarter assistance program which you put in last year and which you've taken out this year. And members are busy talking from their seats and many of them wouldn't have the courage to stand up and speak, and I can look at a couple of them here and they have been conspicuously absent in participating in debates. But I am still wanting to get some answers.

I heard the minister say that for those farmers it was more efficient, more efficient to assist the farmers to keep their property tax down by paying the money as he says, over to education.

(1600)

Now I am wanting him to explain this to me. I am wanting to explain this to me and I'm talking now about farmers and property tax for farmers, and I am wanting the minister to explain how farmers can get anything like the benefits from a \$17 million increase in school grants for everybody — for city people and potash mines and oil wells and businesses and apartment blocks and all the rest, all to be spread around every taxpayer. And he says farmers are going to be better off than if they had their \$35 million payable just to farmer sunder a property tax rebates.

Well I say that those figures just don't balance, and I'm asking the minister to tell me whether he believes that any farmer in Saskatchewan or even as much as 10 per cent of the farmers in Saskatchewan, will get a tax decrease this year on property taxes for school purposes equal to the tax rebate they lost.

AN HON. MEMBER: — 5 per cent in Saskatchewan Valley.

HON. MR. BLAKENEY: — The member says, 5 per cent in Saskatchewan Valley. It may be the one, but how big a farmer do you have to be so that your 5 per cent adds up to \$700? Seven hundred dollars, you have to be paying \$14,000 in school taxes. Those are the people who he believes are going to be as well off. And that may well be, that may well be, that if you happen to be a farmer who pays \$14,000 in taxes for school purposes, you might be as well off in one place in Saskatchewan.

But I say the vast majority of school divisions are going to have level mill rates — plus one, minus one. And under those circumstances the farmer will come away with a loss. He'll come away with having lost 6 or \$700. And I ask the minister again to explain to us how the farmer is going to be better off; how it is more efficient for him in lowering school taxes. And that is the point I want to home in on: school taxes on farm land — how is it going to be more efficient to pay an extra \$17 million in school taxes when the farmer is losing twice that in rebates to farmers alone?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I think that everyone would acknowledge that certainly \$400 million is going to take some pressure off the property taxes — 5 per cent, 10 per cent, 7 per cent, 3 per cent, 5 mills, whatever the numbers will be. And I think it will become apparent as the days progress.

I repeat again that I'm in favour of every kind of cash injection in the farm economy that can be had, and that can be had responsibly and responsively and sensitively, and this was one of those examples that was not. And we simply found a better way: put it directly into education — \$400 million; and that's what we've done. And I think you will find (this we found in Thunder Creek) when it comes to agriculture policies, and when it comes to policies of the government in general, they prefer the Tory programs to the Massey 44 mentality of the NDP opposite.

HON. MR. BLAKENEY: — One attempt to get that question answered once again. Does the minister believe that the average farmer in Saskatchewan will have lower net school taxes in 1985 than he had in 1984? Take the school taxes that he pays; take off his grant; calculate for 1984; take the school taxes that he pays in 1985. Is he going to have lower taxes or higher taxes to support his local schools?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I don't know.

HON. MR. BLAKENEY: — Well, Mr. Chairman, and Mr. Minister, I'm puzzled by members suggesting that they have no idea how much school taxes have gone up or gone down in their jurisdictions.

I am asking the minister again: do you have no estimate as to the impact of net school taxes, net land taxes for school purposes, of removing this \$16 million figure out of your budget and a further \$20 million out of the budget of the Minister of Urban Affairs that went to farmers? You don't have any idea of whether or not the farmers will, on balance, be better off or worse off?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, those numbers, as I mentioned, I suspect will be forthcoming as the days and weeks unfold out there. It would be my general view that over the long haul, by putting \$400 million additional into education, that it can only be positive — not only for the farmer on a day-to-day basis, but for something that he cherishes, and cherishes very seriously out there, and that's the education of his children.

I could recount to you in this House instances where I say on the tail-gate of farms as I was out in the Thunder Creek by-election, where the issue was: I want to make sure that I have a good education and schooling for my children. And these were young farmers, thinking farmers. You underestimate the intelligence of the average farmer out there, and I wish you wouldn't do that.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, I don't underestimate the intelligence of the average farmer, and I think the average farmer deserves some straight answers to straight questions. And I think a straight question is: in 1985, is the farmer going to pay more in land taxes to support his local school than he did in 1984? That's a pretty straight question. The farmer probably will think that a 2 or 3 per cent or 4 per cent increase wasn't unreasonable.

But can you tell him that, rather than go around and around and around. Have you thought how much more he's going to pay, and how much? And if you have thought, then tell us how much, about the extra he's going to pay. That's a reasonable question on behalf of farmers, and we'd seek a reasonable answer.

HON. MR. HEPWORTH: — Well, I suspect that when I get my tax notice the number will be lower this year. But I haven't got it yet, and I'll share it with you when I do get it.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, we expect that the number will be probably lower or about the same. The question then is: are you expecting it to be 600 or \$700 lower? Are you expecting it to cover your loss of property improvement grants and home quarter tax assistance grants? Do you expect that the decrease in property taxes on farm land will compensate the average farmer to the extent of his loss in tax rebates?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I don't know.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, I don't ask him to give a definitive answer. Have you made any estimate, and what is the result of the estimates you've made?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, no, none.

MR. LUSNEY: — Well, Mr. Minister, you just finished saying that somehow the farmer is going to benefit by some lower taxes this year. And I beg to disagree with you, because I don't think we're going to see lower taxes anywhere in Saskatchewan this year because of any of the programs that you've put forward.

In fact, I know a number of R.M.s where the taxes are going to be higher, so certainly the farmer is not going to be saving any money. In fact, I was to one R.M. the other night — they had an annual banquet — where their mill rate is going up by 10 mills. And along with that you are saying that somehow we are going to benefit by you removing the school tax on the home quarter along with the property improvement grant. This is where we're supposed to be saving money, Mr. Minister.

How can you say that this is going to save us money — to save any farmer money, because he lost that property improvement grant when everything else is going up for him?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, as I explained earlier to your colleague, it is our view that rather than continue the great Saskatchewan paper shuffle, it would make more sense to take the money and put it directly into education, rather than to chase it around this vicious circle, and thereby reduce some of the pressure at the municipal level in terms of the draw required by education to run our schools. And I think that you'll find that if you go about the province, as many of our colleagues have done, you will find that the same is true.

And I know for you and some of your colleagues it's difficult to accept change. It's difficult to accept doing things a better way, doing things more efficiently. I mean, if you want to keep the blinders on, well, that's fine. You can continue that course as a party. We're not going to.

MR. LUSNEY: — Well Mr. Minister, I think we certainly, on this side of the House, are not afraid of change. Change is always taking place.

But Mr. Minister, when you say that putting money into education is somehow going to benefit the farmer, I find that very difficult to believe because there isn't going to be one school unit that's going to lower their mill rate because of you removing the rebate . . . (inaudible interjection) . . . Or the taxes, I mean. They are not going to reduce the taxes. Most of the schools are having difficulty operating those schools. They can't get more money out of education.

MR. CHAIRMAN: — Order, order. I don't think we'll be able to understand the question or be able to hear what's going on. Could we have order in the House please.

MR. LUSNEY: — Mr. Minister, there is certainly going to be no reduction in taxes that the farmers are going to have to pay because you removed the property improvement grant and the home quarter tax program that you had.

There certainly will not be a reduction in their taxes, and I don't know how you can stand in this House and say that you are going to put money elsewhere, and somehow this is going to be a benefit to the farmer, because they've lost that money. There's going to be anywhere from 800 to \$1,000 that they're going to lose. And the member from Moosomin, maybe because he doesn't farm, doesn't understand it. But if he went out to his farm, and if he can tell me that he is making more money this year because the tax is gone, the rebate has gone, then, Mr. Chairman, I just don't know what kind of farming he's in. Because any farmer I talked to, they are not going to make more money, because that home owner's grant is gone. It's going to cost him money.

The minister talks about the federal tax rebate, or the federal tax removal, that somehow it's supposed to benefit the farmers. Again, another program that's nothing but smoke and mirrors, I think. Because what happened there was that the oil companies got the rebate, not the farmer. I don't know of any company that, after that was announced, lowered the price of their fuel. We do see some price wars out there today, but those price wars are going to be as long . . . out there as long as the oil companies, they think they want to play around with those prices. And they'll be giving a deal to this farmer, they'll be giving a deal to another farmer, and they'll be playing around with the prices. But there's no set cut on the price to the farmer. It's only what the oil companies decide what they want to give back.

Now if the minister wanted to see something done for agriculture, he would have said, we're going to reduce it by 30 cents, regardless of what the oil companies say, then I would have said he's providing something for the farmer, and he's putting in a program that will help them.

So, Mr. Minister, don't go out here saying that you're helping all the farmers, you're helping the young farmers, you're helping the starting farmers, you're helping everyone by removing that bit of tax break that they had. Because when you took that tax grant away from them, that means that it's going to cost them a little more. And I'm sure, Mr. Minister, that you will agree that that is certainly going to cost them a little more, because you haven't introduced anything that is going to make up for what you took away from them.

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, this rhetoric rings hollow indeed. It is only now a little over an hour ago that this same member stood up in this House, when the hon. minister in charge of Highways and Transportation stood in this House and announced what the changes in the grains transportation Act could mean for Saskatchewan farmers, when he announced what it could mean for Saskatchewan farmers, and stuff that we have fought for in this House and outside this House for years and years and years — this is the member who stood up and announced to the farmers of Saskatchewan; it's not worthy of a response — changes that could save our farmers hundreds of millions of dollars over the long term. For you it was not worthy of a response.

Well, I'll tell you what. The members on this side of the House are 100 per cent behind the farmers of Saskatchewan when it comes to controlling their transportation costs and having efficiencies in the system.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. HEPWORTH: — For you it's not worthy of a response. For this side of the House, we'll fight tooth and nail; we'll keep fighting. How happy we were to hear, for a change, some common sense coming out of Ottawa, talking about capping our freight costs; not capping our volumes — capping our costs, giving the producers some voices in these committees. Railway accountability. And you say it's not worthy of a response.

(1615)

Mr. Chairman, you can cut it any which way you want, but since this administration took over, the agriculture budget's gone up by 54 per cent. In fact, Mr. Chairman, the amount of money that we're putting into interest rate rebates, alone, through the Farm Purchase Program, not counting the Agriculture Credit Corporation, the Farm purchase Program alone is more than their entire budget the first year they were in office in 1971-72. Seventy million dollars is all they spent on agriculture.

And if you want to check the record and see what per cent is being spent of the overall budget on agriculture — now, and then — the record will speak clearly as well, Mr. Chairman.

And it was their party, Mr. Chairman, that put in the farm fuel rebate and took it out. Well I can see why an \$89 rebate on average one year, how far do those rebates really go? And the farmers knew it. But they put it in, and they took it out.

And did they replace it with anything? Did they replace it with a meaningful crop insurance, a Livestock Investment Tax Credit, a Farm purchase Program? None of those things. We are behind our farmers, and we're behind them in . . . (inaudible) . . . And the hon. member says it's not worthy of a response. Hollow rhetoric, indeed.

MR. LUSNEY: — Mr. Minister, you get up here and you talk about something that happened at the . . . from a Minister of Highways that announced something under the guise of a ministerial statement. All he did was announce what was in Saturday's paper and everybody knew about. And he walks into this House and uses the privilege of this House, as a minister, the time of this House, and uses that as an opportunity to announce a federal program.

That is what I said was not worthy of a comment, Mr. Minister, because that is not his department. He did not provide this for the people of Saskatchewan. He was announcing something that the federal government did. And we're pleased to see anything that the federal government will do that'll save us some money, although they've given away everything else in the past, and now they're trying to hold the line on it a little.

They let the Crow go, which was a benefit to the farmer. They wanted to see that go. And now they're saying, after about maybe a 100 per cent increase in freight rates, they're going to hold the line. Well it's easy to let things keep going up and then say, when things get real bad, we're going to hold the line.

It's the same as if I went to the minister and said, well I'm going to charge you \$4 a gallon for fuel. And while everything else went down, well I'm not going to increase the fuel any more. I'll hold the line on it. Once it's high enough, sure, everybody's prepared to hold the line on it.

But I say, Mr. Minister, what are you doing that's going to help those people cope with the high cost of farming, the high input costs?

Bring that fuel down. Bring that cost of shipping grain down. It shouldn't be the responsibility of the farmer to ship that grain to begin with. He's producing it, and he's selling it. Nobody else pays for something that they produce and ship. They don't pay the freight on it. General Motors doesn't. Nobody does — except the farmer. The farmer always has to pay for it.

And you are the ones that agree to having the costs of freight go up on grain. And you stand here and you say that you're providing all these benefits. Everybody that talks about a little break that somebody else may announce, somehow you do it. Well, Mr. Minister, I haven't seen this government doing anything yet that's going to help agriculture. Just about everything you did was a negative move for agriculture.

Mr. Minister, what are you going to do that's going to help those small farmers that today are faced with having to lose their land because they can't make the payments either to you, as a government, through leases, or to the banks? How are we going to save those farmers? This is what I'd like to see you addressing, and telling us how we're going to save some of those farmers.

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, the question is: what are we going to do to help those farmers? I would put it to you this way: what other jurisdiction, perhaps in the world, has done as much as -Saskatchewan and the Saskatchewan government has to help our farmers — not only those who are viable today, which is by far and away the vast majority, but also those who have their backs up against the wall?

This is the government here, and you're looking right at them, that put in place . . . put the

treasury of Saskatchewan behind the farmers: \$200 million in loan guarantees for those who are viable in the long term, but can't get operating money, \$200 million —not \$25 million, not \$5 million — \$200 million.

And for those who are facing imminent foreclosure, this is the government who put in place a moratorium on land foreclosures.

This is the government that pioneered interest rate relief across this country. We put in 8 per cent money. Then Ontario followed. And guess what? Guess who's into 8 per cent money now? Our friends in Manitoba. We lead; others follow. Our track record is second to none in helping our farmers.

MR. LUSNEY: — Mr. Minister, you talk about all these hundreds of millions that you're spending in agriculture somehow. And I don't know how many people really see it. You're talking about 8 per cent money. Who did that go for? Did that go to that young farmer that's trying to get a start, that has no other opportunity to get going? Is that farmer going to be able to buy land? Not unless he's already established.

The only ones that will take advantage of that 8 per cent money, Mr. Minister, are people that already have some property, that can get a loan through Farm Credit, and Farm Credit is pretty strict in their rules. If you've got enough collateral there to cover what you want to borrow, then they'll accept you. That means you have to be an established farmer. You have to be one that's already got enough property and enough equipment to cover that loan that will satisfy them. That's who can buy more land and get that loan at 8 per cent. But you go talk to a farmer that might have one quarter of land and wants to go buy another half section or three quarters, or one that's maybe on nothing more than rented land, wants to get into farming, is that farmer going to get that assistance?

He won't, Mr. Minister. He can't get a loan from Farm Credit, especially if he doesn't own land and all he's farming on is rented land. Those are the farmers we should be looking at, because they are out there; they are struggling; they are trying.

But you have not addressed that part of agriculture at all, or those people in agriculture. You have only addressed those that already have money, that have the land and can expand if they wanted to. You've provided them that opportunity, but you haven't addressed those people that are struggling and trying to get ahead. What are you going to do for those, Mr. Minister?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I'll pick up on your final question at the end: what are we doing, and how does this 8 per cent really target, and target the folks that should get it?

But I want to pick up where I last left off, because you did. In terms of dealing with the large issue out there, over and above loan guarantees and 8 per cent money and debt moratorium legislation, we have responded as well to specific problems. When drought was a problem we responded and we responded in spades, and in the co-operation of other governments, not only federal, but provincial.

When drought was a problem we responded. When grasshoppers was a problem we were there backing our farmers up. When wheat midge was a problem, there we were putting more money into research. So to suggest that we aren't behind our farmer simply isn't true.

And the 8 per cent money, you can draw all kinds of conclusions. It's like your hon. colleague from Assiniboia-Gravelbourg trying to suggest that the farmers were in trouble out there — were in trouble because they couldn't get a \$15,000 operating loan. Those simply aren't the facts. Those simply aren't the facts. The average is 80 or \$87,000. And your facts aren't right on who the Farm Purchase Program is aimed at and who it's helping, either.

Number one, we said we want to focus this program on the young and the beginning farmers — average age, 26. Something in the order of those people that are receiving that assistance are one-half of them, something approaching one-half, are first-time farmers, first time. Something approaching two-thirds are inter-generational transfers — moms and dads to the son, uncle to the nephew — exactly the life-blood of the family farm.

And what's their average net worth? Average net worth something again, not 500,000 — \$100,000, in that area. And they're not going out there and tying themselves up with 3 and \$400,000 of debt. They're doing it very sensibly — 100, \$120,000 is the average transaction.

So by every measure the program is an unqualified success.

MR. LUSNEY: — Mr. Minister, those young farmers, those inter-generational purchases that you're talking about, if somebody co-signs for it, yes, Farm Credit will then borrow them that money. But if a young farmer wants to get started farming, and he hasn't been farming, it's only because the father signed on the dotted line and it's going to secure that loan. That's how that young farmer will be able to get that loan.

And some of them are getting them, and that's fine. Let those young farmers get that loan. But Mr. Minister, when you talk about your farm counselling and loan program, guaranteed loan program, that, Mr. Minister, is one program that is helping very few people.

You were talking that the average loan is \$80,000. Well, Mr. Minister, I can tell you of some young farmers, and there is one in the White Beach area — and I sent you a letter on it — all he has is leased land. He's not looking for \$80,000. He's looking for enough to get his crop in. He's behind on his lease payments to the government, because he's had about two or three years of bad crops. He was in that wet area, but when you use the five R.M.s in the North to cover under the excessive rain area, he wasn't in part of it, because you didn't cover everybody that got affected by that excessive moisture. This farmer's having problems. You won't address him, because he's in the wrong area.

Mr. Minister, what he's looking for now is for you to come across with that so-called good program that you've got, the counselling program and loan guarantee program. Give him the opportunity to apply for a loan. He did. He was turned down, because he didn't have any property of his own. So you're no better than Farm Credit. If you've got enough, you can get more. But if you don't have it, you won't get it. Why don't you take a gamble on some of those farmers? Give them the opportunity to keep going. Give them a chance for another year or two, and maybe they can get some good crops and get themselves out of the problem they're in.

Those are the ones that I am saying, Mr. Minister, you should be trying to help. Get your board to once again go and interview those farmers and tell them, yes, we'll take a chance on you. Some of them would even be agreeable to have you say, we'll give you that loan guarantee, but maybe we're going to want 50 per cent of your crop this fall. They'd be prepared to give you that just so they can continue in agriculture. But you are not prepared at all to consider any of that.

Your department and the people that you've got out there, going around with the interviews on the farm loan program are people that are not concerned about the small farmers, the struggling farmers, the ones that are trying to survive. You are telling them that they are not viable and they should get out of it; they should go on welfare or go look for a job.

Mr. Minister, I think you should change that directive if you've given one like that to the committee that goes around the country, and tell them that they should be out there trying to help every young farmer that's out there that needs the help now and give them at least another year in agriculture — or give him two — and maybe then he can get himself out of debt and you'll see a farmer that's going to work twice as hard because he was helped.

HON. MR. HEPWORTH: — Mr. Chairman, Deputy Chairman, Deputy Deputy Chairman, as I mentioned earlier there is no other jurisdiction in Canada, perhaps North America, that has done more in terms of going to the wall for our farmers. It doesn't matter whether we're talking interest rate relief, it doesn't matter whether we're talking severely restricting farm land foreclosures, making sure farmers get money for spring seeding, making sure the safety nets that are in place work, increasing the budget and the service component —by any measure, by any measure this government is behind the farms.

(1630)

And if you're so naïve as to think — because I am not — if you're so naïve as to think that all the government programs in the world are better than six or 10 inches of rain at the right time, you're wrong, or in your case six or 10 hours of sunshine, or six or 10 days of sunshine at the right time, you're wrong.

And as well, we've got to acknowledge the larger global changes taking place in agriculture, and acknowledge what the world markets are, and acknowledge what monetary policies can do to our farmers.

Now you can continue to go along with the blinders on. You have no farm policy. Your rhetoric is hollow when you criticize us. If I go through your speeches and the speeches of your colleagues — one day it's a four-point program, the next day it's a six-point program, and the next day it's a debt adjustment, and the next day it's 7 per cent — we don't know where you're coming from. You are sort of like a flying saucer: upside down one minute and downside up the next minute; one minute you see him here and the next minute you see him there. You're the flying saucers of the world of politics over there.

MR. LUSNEY: — Mr. Minister, are you telling us that just because nature didn't exactly co-operate with the farmer — some areas are too wet and others are too dry — and because these farmers had some problems for the last one or two or three years, depending what area you'd be talking about, that because of the effects of nature that you are saying they should not be getting this assistance, that some of them are going to have to fall by the wayside? Is this what you're saying, Mr. Minister?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, no, that's not what I'm saying. And in fact we are so committed to the farmers that we believe that in those cases where their backs are up against the wall, we've got a two-tier system in place. We've got farmer review panels. Through the Counselling and Assistance for Farmers Program they get not only valuable advice, but perhaps in those difficult cases award — if you like, adjudicate — in favour of loan guarantees. And as well if they go to the farm foreclosure state, they've got to get through the farm land security board. And in fact that board can make a report to the court, advocate, if you like, in some of these cases on behalf of the farmers. And none of that was ever in place under your administration. None of it.

MR. LUSNEY: — Well Mr. Minister, we didn't need as many boards going around there counselling the farmers because the farmers weren't in that kind of financial condition when we were in government. It's only happened in the last three years that they got in that situation. Mr. Minister, that review board that you're talking about that's going out there interviewing the farmers, who is on that board? Could you give me the names of the people that are on that board?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, when that Act was before this legislature about one year ago, you and your ilk suggested that this was going to be a board of just big Tories, and quite frankly, the farmers of Saskatchewan, the farmers of Saskatchewan, the people of Saskatchewan and I took great exception to that. It's casting aspersions on the

qualifications of some very, very, very good farmers in this province. Quite frankly, I think you should apologize to the people of Saskatchewan for casting those aspersions on them.

The people who are on those boards . . . And I don't have the names nor am I particularly interested. What I'm interested in is having some people on those boards and panels who have been through the ups and downs in agriculture, who have an established track record, who are sympathetic and compassionate and understanding, who maybe are semi-retired or retired, who are willing to give of their time for the betterment of agriculture in this province, and that's exactly the kind of people that we have on those boards.

I'll tell you one other thing before I sit down. They adjudicated something in the order of 500 cases last year, 500 of the toughest cases that anyone could ever, every face — 500 cases,. And I can tell you without fear of contradiction that I had one phone call to my office, one and one only, where the farmer felt that he had been treated in a cavalier manner, where he felt that he hadn't been treated sympathetically and compassionately and in an understanding manner. And I would suggest to you that we should all, all members of the legislature be very, very proud of the quality of people who have been prepared to serve in the interest of farming and agriculture in the long term. And in fact I want to publicly acknowledge and pay tribute to those individuals who have served so unselfishly on those boards over this past year and who will do so in the months and years ahead.

And in so far as agriculture not being in the state that it was in when you were in office, I would suggest to you that it was in 1971, when the NDP were in, that much, much more severe legislation was put in place in the form of debt moratorium legislation.

MR. LUSNEY: — Mr. Minister, you are saying that the board reviewed something like 500 cases. How many of those did you grant loans to?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, we' don't do the loan granting.

MR. LUSNEY: — Okay, Mr. Minister, you approved the guarantee on those then. How many did you approve the loan guarantee on those, out of those 500?

HON. MR. HEPWORTH: — The most recent numbers I have would be for approximately a month old. We've had 534 applications . . .

AN HON. MEMBER: — How many?

HON. MR. HEPWORTH: — . . . 534. There was . . . between those not processed and cancellations and withdrawals, that's 105. We had 429 panel hearings, counselling only on 51 of those. So there was 160 . . . 156 where either they were cancelled, or withdrawn, or not processed, or only in for counselling — 150 roughly out of all the applications.

And then if one looks at the number of guarantees issued, there was 260. And guarantees accepted was a . . . or guarantees being processed are still 20. So of the 240 that are in the mill, 180 . . . 108 have been accepted, totalling something over \$9 million now.

MR. LUSNEY: — Mr. Minister, these were accepted by your department, by that board. Right? Are these 108 that you say were accepted for that 1-million-and-some dollars, are those the 108 out of the 500 that received the loans?

HON. MR. HEPWORTH: — The 108 were those that had . . . were the instances where the bank or the credit union, in fact, with the guaranteed, guarantee advance moneys.

MR. LUSNEY: — Mr. Minister, what was the highest amount to any one individual that was given under than loan guarantee?

HON. MR. HEPWORTH: — The maximum was 100,000. There would be no one higher than that.

MR. LUSNEY: — Mr. Minister, so out of the 500 that you interviewed, we're only looking at about 108 that . . . out of 500 people that approached you, that which must have had some financial difficulties, only 108 that really got some assistance out of it. The others are still pending. I believe you're reviewing them, or you're still looking at their cases. Those haven't been completed. One hundred and eight received —loans, guaranteed loans. The rest so far haven't. What happened to all the others?

HON. MR. HEPWORTH: — Well I think, I think for the hon. member to suggest that only 108 received assistance would be to underestimate, and sadly underestimate, the value of the counselling out there. In fact, were you to talk to the farmers on those review panels, to a man almost, they would tell you that, in fact, in their view and perhaps many of the farmers' view, the best advice they got was from those farmer review panels.

And in fact in 150 of the other cases, if you like, in 150 other cases some were only in for counselling, some withdrew, and some have not been processed to this time. So I think in terms of assistance, I think you have to divide it into two categories: those who received a loan guarantee and subsequently funds with that guarantee, and those who received good advice that hopefully has put them on the track for the long term to be viable.

MR. LUSNEY: — Mr. Minister, what did it cost for the committee that went around visiting the farmers and interviewing the, and approving some of those loans and refusing others, and counselling some of them? What was the total cost of that program?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, counselling and assistance for farmers, well, this would be this year. I'll give you this number. Sorry, I've got them both. We approved for '84-85, \$400,000 — something in that order. And I would suggest to you that that's a small price to pay for the hours and hours and hours of dedicated work we got from some of these counsellors.

They didn't work an eight-hour day. Some of them were putting in 16- and 18-hour days. And I think the small stipend they got in return for their time spent shouldn't be considered a cost, but in fact an investment in the future of those farmers from Saskatchewan Agriculture.

MR. LUSNEY: — Mr. Minister, you've made some amendments to the program. Are you prepared at this time to take applications from some of the people that you've refused, or that weren't able to get the loans before? There are a good number of people last year, that your committee approved, but when they went to the bank, because the guarantee wasn't sufficient enough, the banks would not honour that approval.

Could these people come back now and get something that will guarantee the bank enough on that loan that they can once again apply for a loan and that the bank would accept it? Because a lot of them were refused last year.

HON. MR. HEPWORTH: — Yes.

MR. ENGEL: — Thank you, Mr. Chairman. Mr. Minister, just on this counselling assistance program. I appreciate the help from my colleagues in these estimates.

You suggest that the '84-85 program that's . . . the \$400,000 was approved for this coming year. Do you have the number on what it cost us for the first year it was in operation?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I have better numbers for you. Four

hundred thousand was last year's blue book number for the administration costs for the loan guarantee program. In fact, the actual expenditures were \$590,000.

MR. ENGEL: — Did you do a cost evaluation on the program that we felt wasn't a very good program — in fact, I called it an Edsel — did you do a cost-per-loan evaluation on that? Is this counselling assistance administrative costs, or does that also take into account expenditures as far as writing off some debts or picking some interest expense?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, that's the administration costs.

MR. ENGEL: — Well, if I look at \$590,000 for 100 loans — well, say 108; give you the full amount — don't you consider that pretty steep?

HON. MR. HEPWORTH: — Well, as I said to your colleague earlier, I think for you to suggest that those farmer review panels and the advice they gave was of no value is to do a disservice to Saskatchewan farmers.

You can look at it in the very narrow view, that only those who got a loan guarantee and subsequently got funds, as that being the only winners. But I would suggest to you that if you had talked to as many of those counsellors as I have, you would find that in fact the advice was perhaps more valuable than the loan guarantee.

And so I don't count my successes in black and white, but in more human terms, because virtually all those farmers are still out there today. And they're out there today because not only have we been prepared to help them with loan guarantees, but we've stopped the flow at the foreclosure gate.

So, by every measure, we're there behind our farmers.

(1645)

MR. ENGEL: — Mr. Minister, I think you used the right term when you expressed that it was a two-tier program — a tear in each eye.

Mr. Minister, if you can stand up in this House and tell the people of Saskatchewan that \$5,500 a farmer for counselling is a good number, and that out of the thousands and thousands of farmers that are in desperate need of help you've come up with a program that costs you \$5,500 a farmer, and you call it a good program — and you're not going to measure it in dollars and cents, I don't blame you. I don't blame you one bit, because I wouldn't evaluate a program like that in dollars and cents either.

Now we estimated and we told you last year that you could come up with a program that is working. You could go to Manitoba, and you can look at their counselling and assistance program, and you can look at their loan guarantee program. And I want to submit to you, Mr. Minister, that I bet you, I will make a wager in this House, and maybe the chairman will rule me out of order, that those loans there didn't cost \$50 a loan for administration costs, because the staff that were in place, and the people that are out there advising farmers, the counsellors that are there, the ag reps that are trained and the agronomists that are out there, I suggest that if you'd have a program where a farmer would go to his ag rep and say: this is my situation. Do an evaluation. What am I doing wrong? What should I do different? He gets his evaluation. He gets his program instructions from the ag reps that are there, and he then takes this guarantee to his bank and gets a loan guarantee of the loan he's making.

That's what's happening in Manitoba. Farmers there are getting money, and they're getting it at 8 per cent, Mr. Minister, not at prime plus a quarter. Your two-tier program should be called a four-tear, because their wives are upset too.

Mr. Minister, if you think you've got a loan guarantee program, how come there's so many auction sales in the country? There's the biggest run in auction sales, and we can tell that because the auctioneers aren't here. They're not in this House today, because they're out there doing sales every day of the week. And I want to tell you those sales are on because you don't have a good guarantee program.

You said, never a government did it before. I want to submit to you that governments have provided security to farmers, and were prepared to back up that security. And in '71, when we had the farm protection Act in place, it was just that. It wasn't what you call here, a guarantee program.

Ninety-thousand dollar loans to farmers? You're saying that only the big guy needs a loan — only the big guy needs a loan. No wonder the guys got their applications and went home and cried about it and had a two-tear program, when you weren't giving the farms a loan to put in their crop. How big a crop are you expecting farmers to seed that need that kind of money?

And then to spend \$5,500 a farmer, and justify it and say that that's a good program, Mr. Minister. I don't think you should have changed the trimmings on that program. I think that program needed a new name. It needed a complete overhaul. And if you can't come up with that, I'll make another suggestion to me. The people are waiting for a chance to change the Minister of Agriculture.

They're waiting for a chance to make a real change. Because, Mr. Minister, when 500 people finally get down to meeting with your committee, when you look at the material that's there, and they realize how tough it's going to be to get through the hoops, and how tough it is to get political approach, I think they're going to say to themselves: it's not worth it.

How come Farm Credit Corporation said that there's over 8 or 9,000 farmers in very serious financial straits? And you say you helped it and you did your job by helping 100 farmers. Come on, Mr. Minister. Let's have some truth about what's really happening in Saskatchewan, because I've got more than 100 farmers in my constituency that need help.

If you want a list of names, I can tell you the ones that have contacted me personally. They're looking forward to some cosmetic changes in this Bill. We're hoping you'll make some cosmetic changes. But cosmetics isn't going to do the job on this one, Mr. Minister. There's more than a little make-up and beauty cream required, and facial packs on this one, because this one isn't going to fly.

If you think a program's flying that costs you \$5,500 a farmer, and then you only have 100 farmers, come on, Mr. Minister, tell us, tell us.

And you think it's a joke — \$5,500 a farmer. If you had taken and given each of those 100 farmers \$5,500 you'd have done something. You would have done something. And at least 100 farmers would have had \$5,500 in their pocket.

But no, you decided to take \$5,500 a farmer, use it for your committees. It sounds like an awful expensive committee to me. To get counselling assistance at that price, that better be some good counselling. That better be some good counselling at that price, Mr. Minister. I think you've stretched the limited of the farmers' endurance on this one. You've stretched the limited of our imagination. I think you better come up with some good answers.

HON. MR. HEPWORTH: — Mr. Deputy Chairman, hon. member, I'm glad you raised the points you raised. It is just not that many minutes ago when your colleague, the Leader of the Opposition, was in here haranguing me for not spending enough on the farmers of Saskatchewan. Now you're saying we're spending too much. Where are you coming from?

Where are you coming from?

And I ask my colleagues in the House, when we voted on the amendments to the counselling and assistance for farmers Act, did not the NDP opposition join with us in passing that Bill? Now you can't have it both ways. You can't say on one hand the program is no good, and the other hand say it's very good.

I was so happy to hear him raise the issue of Manitoba. Interestingly enough, Mr. Chairman, the program, whatever it costs us — \$110 a day for the panel of farmers — I think that's a small price to pay to help Saskatchewan farmers. And in fact that \$110 a day per panel member put over \$9 million into the hands of Saskatchewan farmers who otherwise would not have got it.

But I want to turn to the larger issue that he raised about how good Manitoba's farm policy is, and how their loan program there works so good. Well the fact of the matter is, Mr. Chairman, if you look at the bankruptcy statistics, if you look at the bankruptcy statistics, Manitoba hasn't wrestled with the problem. They haven't wrestled with the problem.

I'd like to share with the hon. member a few of the more recent press clippings from the *Winnipeg Free Press* and other newspapers that just will set the stage for, I think — and in fact make our case — for how the Manitoba government hasn't come to grips in terms of dealing with the farm problem. And one of them reads like this:

Was Agriculture Minister Bill Uruski's call for united action to deal with the farm financial crisis a political ploy or a sincere effort to bring about concrete action?

Certainly it was a problem, they went on to suggest. They point out that farm bankruptcy doubled in 1982, doubled in 1982.

And so he talks about how the Manitoba government has wrestled with the interest rate question. They followed our lead finally, in terms of 8 per cent money, but not after they'd had a headline like this one: January 19th, '85 — "Province (this is the Manitoba province) raises farm loan rates despite plea." Farmers were going broke and they were putting up the rates of the Manitoba Agriculture Credit Corporation.

And not unlike, Mr. Chairman, and not unlike the NDP in Saskatchewan, they have no agenda. Here's another headline: "Uruski does about turn on farm financing bill." "Uruski backtracks on farm debt bill." "Posturing for farmers," another headline. And then the next day it's: "NDP firm on passing the Bill." And here's the coup de grâce, Mr. Chairman: "Engel to meet Manitoba minister." This is the day, Mr. Chairman, when Mr. Engel's solution to the farm problem — this must have been Thursday — his solution to the farm problem was farm debt adjustment legislation. The day before that it had been 7 per cent; the day before that it was debt moratorium, operating loan guarantees, and so on and so on.

But the headline, Mr. Chairman, that really takes the coup de grâce, and this is the August 29, 1984 *Melville Advance* headline: "Blakeney repeats assistance call." And part of the paragraph read this way, saying, it has only been NDP members who have consistently represented the interests of Saskatchewan farmers.

Now I ask you members of the legislature, when the dairy farmers of this province were going down the tube and threatened by a strike, did the hon. colleague, the member for Assiniboia-Gravelbourg, once get up in defence of Saskatchewan farmers? Did he once come to the defence of the Saskatchewan farmers? Not once. Larry Brown, Nadine Hunt, we love you, but the Saskatchewan farmers, we've no time for you.

MR. ENGEL: — Well, Mr. Minister, you can flay away as much as you want, but you didn't answer the question. Do you think a program that costs \$5,500 a farmer to administer, do you

think you can slip that one by and expect the farmers to appreciate it in Saskatchewan when you're paying advisory costs, counselling costs, nothing else. No interest, nothing; just plain costs of your machine, your political machine that's out there reviewing farmers. And you're saying that \$5,500 a farmer is a good deal to spend on 100 farmers getting a loan? You think that's a good deal, Mr. Minister? Well, the farmers in Saskatchewan want a better deal than that.

You talk about a trim government and a trim operation and a program that's not working. Eighteen or 20 thousand farmers in Saskatchewan are going to have trouble putting their crop in this spring — 18,000. And you help 100 with \$590,000 worth of administration costs. And you think that's a good program, Mr. Minister.

I think you can tell stories from Melville, from Winnipeg, and from wherever you can, but the farmers will still say: that government doesn't know how to administer programs. This is a government that knows how to pay their fat tax. They know how to get \$5,500 a loan, but they don't know how to deliver the goods.

And that's where you're wrong, Mr. Minister. If you can't come up with a program that works better than that, I'd suggest you resign. I think your resignation's in order when you have a program that costs over a half a million dollars for 100 farmers, administrative costs — administrative costs.

And then the farmers that really need it, the fellows that need 15 and \$20,000, the guys that want to hang on to their farm, they can't get it. But boy, the guy that needs \$100,000, we've got to change the program. We need some cosmetics here. We've got to raise that amount, because that's not enough. We can't give our big friends enough money yet. We've got to make it still larger. We've got to increase that amount still more. So the cosmetics in the Bill was to increase it still more.

To have that kind of an expenditure, I just can't believe it. What were you doing for the 18,000 farmers that wanted some money? Why didn't you listen to them? Why didn't you set up for \$590,000? Why didn't you run 59 offices? Why didn't you run 59 offices across Saskatchewan — use the ag reps you've got out there; listen to the farmers that wanted some help? Why didn't you give them some advice from the staff that's there? It wouldn't have cost you a dollar — wouldn't have cost you a dollar. You've got the administration out there; your programs there. Why didn't you get your ag reps to administer it?

But you don't trust them; you don't trust them. You think they can't follow orders. They've got to get letters in the mail saying we've got to form this great circle, and we've got to get chasing ourselves around a circle, and get studying in circles. That's the only way it's going to work. That's what you tell your agricultural representatives that are out there that should be administering your program.

They've gone to university; they've studied the situation; they come from farm backgrounds; they could have given good advice. But no, you've got to handle the Cadillac of the Tory party. You've got to give the retired farmers a job. And then we'll do something big for the farmers. We're going to get our farmers out there and say: look, fellow, the counselling assistance is the thing that was the most important, he said.

MR. CHAIRMAN: — Being near 5 o'clock, I do now leave the Chair.

The Assembly recessed until 7 p.m.