

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Goodale: — Thank you, Mr. Speaker. It's my honour today to present a petition under rule 11, which I'm given to understand the Minister of Transportation is both aware of and supports.

This petition is signed by well over 600 Saskatchewan people, primarily from the Rockglen and Killdeer district, and it refers to the CTC (Canadian Transport Commission) abandonment order affecting the CP Rail colony branch line.

These petitioners are calling upon this Assembly and the Government of Saskatchewan to support the Killdeer rail retention committee in their appeal to the federal governor in council against the CTC abandonment order, which order would prematurely and improperly remove their local rail service.

INTRODUCTION OF GUESTS

Hon. Mr. Hepworth: — Thank you, Mr. Speaker. I'd like to introduce to you, and through you to all members of the Legislative Assembly, on behalf of the Premier and MLA for Estevan, 22 grade 9 students who are seated in your gallery, Mr. Speaker.

They are from the Immaculate Heart Junior High School in Estevan; are here to watch this afternoon's proceedings. They are accompanied by their teacher, Arlene Anderson, and bus driver, Ken Anderson, Mr. Speaker.

I'll meet with them at 2:30 for pictures, and I think they're going to have drinks as well after, Mr. Speaker. I would ask all members to welcome these grade 9 students from Estevan, Saskatchewan, Mr. Speaker.

Hon. Members: — Hear, hear!

Mr. Goodale: — Mr. Speaker, I would like to join with the minister who has just spoken in welcoming our guests from Estevan. For a period of time it was my opportunity to represent these people in the House of Commons, and I would certainly like to welcome them to the legislature. And a particular hello to the Andersons, and wish them well in their visit to the legislature.

Hon. Members: — Hear, hear!

Mr. Upshall: — Thank you, Mr. Speaker. It gives me great pleasure today to introduce to you, and to this Assembly, a group of 54 students from grade 10, 11, and 12. Some of these students come from my home town of Young, Saskatchewan, and they are accompanied by students from Port Rexton, Newfoundland, on an exchange program. I would like to introduce the teacher accompanying them, Mr. Tom German, who is the principal up at Young, and chaperons from

Newfoundland, Selbe Freeman, Wayne Pond, and Marilyn German from Young, and bus driver Bev Wingrove. I see some of my other neighbours up there so I'd like to welcome them here. I hope they have a good day, and I hope they enjoy the proceedings going on here today. Could we welcome them in the traditional manner, please.

Hon. Members: — Hear, hear!

Hon. Mr. McLeod: — Thank you very much, Mr. Speaker. It's my pleasure to introduce to you, and through you to members of the Assembly, grade 12 students, 17 of them. They are with the National Honor Society from Dawson County High School in Glendive, Montana. They are seated in your gallery, Mr. Speaker. They are accompanied by their teachers, Avis Anderson and Eileen Melby; and their bus driver is Lester Sampson. It's always a pleasure to welcome visitors from other provinces, and especially from our friends across the line in the United States. So I would ask all members to welcome them. I'll meet them at 2:30 in room 218 for some coffee. And I would ask all members to please welcome our guests in the usual manner.

Hon. Members: — Hear, hear!

ORAL QUESTIONS

Farm Debt Crisis

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Acting Minister of Agriculture. Mr. Minister, last week your colleague tabled a flop of a report in this legislature which was supposed to deal with the farm debt crisis issue and farm financing. You took a year to travel and table a report that offers no help to Saskatchewan farmers. Since this was obviously a political PC public relations exercise, will you now direct the bill to the Progressive Conservative Party and off the backs of Saskatchewan taxpayers?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, I think the MLA committee report, *Farm Finance for the Future*, those members should be commended for going out and listening to farmers, some several thousand across this province, to help us, as government, grapple with the farm debt situation. Our government believes in consultation; your party may not. We believe in consultation and worked closely with groups in designing numerous programs and will continue to deal with that.

And I might point out, Mr. Speaker, that's in sharp contrast to a month or two ago when NDP members from Alberta and Saskatchewan and Manitoba gathered together to look at the whole farm situation at a conference on agriculture. And as was quoted in the paper of the day, they had no new initiatives to announce at the meeting, and that's the NDP style, Mr. Speaker.

Mr. Speaker: — Order. Order.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Minister, how much taxpayer's money did you waste on this project; was it 400,000, 600,000? How many hard-earned taxpayers' dollars were used? Could you tell me that today.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, when you're dealing with the problem the magnitude of the farm situation, indeed in the western world, we do not look upon this exercise as a cost. In fact, we look at it as an investment in farming, and we'll continue to make those kinds of investments to help Saskatchewan farmers, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: — New question, Mr. Speaker. Mr. Minister, in your own report you quote an Angus Reid poll that says about 25 per cent of the farmers do not think they'll be there in the next three years. Farm Credit Corporation says 11 per cent of the farmers are insolvent; another 28 per cent having terrible cash flow problems.

You went out across this province and talked to those people and they rejected your equity financing proposal, solemnly rejected it, and yet you ignore the farmers and continue with your own idea of how to bail out the banks.

Now my question is this: why have you again ignored Saskatchewan farmers and why have you again come up with no real solution? Are you void of ideas?

Hon. Mr. Hepworth: — Mr. Speaker, when the hon. member quotes studies that talk about 25 per cent of the farmers won't be here, etc., etc., I mean this is the same thing that this party said two and three and four years ago. This is what they said. They said when we brought in the calf program that it wouldn't work; they said when we brought in The Farm Land Security Act that it wouldn't work; they said when we brought in the production loan program it wouldn't work, Mr. Speaker, and that's the usual rhetoric.

The fact of the matter is, Mr. Speaker, all of these initiatives that we've in place have been useful at protecting our farmers, on the one hand; getting their crops in, on the other hand, and as well, the Minister of Trade and the Premier have been looking for solutions at the international level.

I ask you, Mr. Speaker, what have the hon. members done? Did they help our farmers get a deficiency payment? No. Did they help our farmers, Mr. Speaker, deal with the international trade situation? No. They pooh-pooh trade, Mr. Speaker. We're in favour of it, and that's part of the solution, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Mr. Speaker, Mr. Minister, we have a severe . . .

Mr. Speaker: — Order. New question?

Mr. Upshall: — New question, Mr. Speaker. We have a severe problem in agriculture today as far as debt is concerned. It's been building and building and building over the last six years. Your government has had no ideas. Any solution is short term, *ad hoc*, and they're not a solution. And we continue to see the bankruptcies and foreclosures going higher and higher.

When are you going to come down with an idea to keep Saskatchewan farmers on the land instead of your idea of bailing out banks and having farm land go into the hands of corporations?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, with the measures that have been put in place, including things like debt review boards and The Farm Land Security Act, the evidence is there to show that the numbers of foreclosures have been minimal, Mr. Speaker. The protections have been there, and one could take that and what's happened over the last five or six years here, while agriculture has been in some distress, and compare that to the 10,000 census farms that disappeared in the decade 1971 through '81 when the NDP were in power and it was the so-called good days in farming, Mr. Speaker. One could contrast the two sets of numbers.

Some Hon. Members: Hear, hear!

Deposits for Application to SIAST

Ms. Atkinson: — Thank you very much, Mr. Speaker. My question is to the Minister of Education. I have here, Mr. Minister, a copy of an advertisement which ran in the Saturday, March 26 edition of the Saskatoon *Star-Phoenix*. This ad invites Saskatchewan young people to apply for openings in various courses offered at the Kelsey institute in Saskatoon. Students were told they had a week to apply before the selection process was over . . . or would begin. They were also asked to deposit a non-refundable application fee of \$25 per course.

Mr. Minister, when this ad ran on March 26, a number of those courses advertised were already over-subscribed — they'd already had numbers of applications. Can you explain why you collected the \$25 non-refundable application fee from students, knowing that the classes they were applying for admission to already had applications on hand totalling five to six times the number of spaces available in those courses?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well, Mr. Speaker, if the hon. member is suggesting that the Saskatchewan Institute of Applied Science and Technology runs ads in the paper to notify students about courses that are already filled, that story I would want to check out, Mr. Speaker, because clearly that would not be our intention. The intention of the ad was to notify students that there are some opportunities available in some program areas.

Now from the time the ad was placed till the time it ran, if some of them got filled, so be it, and that's great, Mr.

Speaker. I like to see full classes, not empty classes. But certainly the institute merely wants to make sure that young people are aware of the fact that some classes are available, and that if they want to take them that they get filled, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — New question to the Minister of Education. Mr. Minister, it is my information that the day this ad appeared in the *Star-Phoenix* there were already 130 applicants for 20 spaces in the early childhood education program at Kelsey; there were 75 applications for the 20 spaces in the personal development worker course; and there were 105 applications for the 30 spaces in the hotel and restaurant administration course.

Mr. Minister, what we have here is students getting ripped off by the very department that's supposed to help them. Mr. Minister, is this your government's new strategy of lowering the \$3.7 billion deficit that your government has racked up in the last six years, by collecting non-refundable application fees of \$25 from young people when they don't have a hope of getting into some of these courses. Is this your strategy?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — The hon. member, Mr. Speaker, is incorrect. I already went through the application fee, and what was happening under the old system, if you like, Mr. Speaker, is that the same students might apply at nine different courses and it would look like there was eight on a waiting list when, in fact, it was the student applying for a number of different courses, Mr. Speaker, and hence inflated the data.

If there are some courses that were full when the ad hit the newspapers, obviously that's something that I would want to avoid, and I'm sure that the institute would want to avoid. But if you're asking me if we're going to stop from notifying young people of opportunities in post-secondary education and some of the very fine opportunities that are there, the answer is no, we will not stop making sure they know of these opportunities, Mr. Speaker.

Ms. Atkinson: — Supplementary, Mr. Minister, we have an ad placed in the Saskatoon *Star-Phoenix*, March 26; deadline for applications, March 31 of 1988. We have a fall program registration form listing all of the courses available.

Now, Mr. Minister, I've just given you information that there were five to six times the number of applications for positions in those courses. My question is this: you have created this new super-institute, and this was to mean more efficiency and improved productivity . . .

Mr. Speaker: — Order. Order. The hon. member is using a fairly lengthy preamble for a supplementary. Please put your question.

Ms. Atkinson: — Thank you, Mr. Speaker. Explain to the students of this province how these kinds of ads were approved by your new super-institute, and will you

refund that \$25 fee to those students who applied when courses had already been oversubscribed? Will you do that?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well, Mr. Speaker, as it relates to the \$25 fee, I took notice of that question some good long time ago and I reported back to the House, but I will repeat the policy.

The \$25 application fee is non-refundable and it's not an unusual fee. Many institutes across western Canada have it, Mr. Speaker. But, and I repeat this again, should a program be full or the waiting list too long, the application can transfer his application to another program within the SIAST (Saskatchewan Institute of Applied Science and Technology) during the same academic year and no further . . .

Mr. Speaker: — Order. Order.

Tax Breaks to Large Corporations

Mr. Koskie: — Thank you, Mr. Speaker. I want to direct my question, in the absence of the Minister of Finance, to the Acting Minister of Finance, to the Acting Minister of Finance or the Deputy Premier, and it deals with the cost of the tax breaks in the last budget for large corporations. I want to ask the minister: can you confirm that on a 12-month basis that the reduction in the corporation income tax introduced in the provincial budget will save large corporations some \$13 million in income tax? Can you confirm that?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, that type of question would tend to find its way into the House by way of estimates.

My understanding, and don't hold me to the precise number, but in the budget brought down by the Minister of Finance, the net result is the increased revenues flowing to the Government of Saskatchewan from the corporate sector increased in excess of \$35 million this year. That's the net increase that is coming in to pay for health and for education and other services. The corporate sector paid its share of tax this year. The budget raised those taxes, and overall, to the corporate side, there was some balancing off to the corporate side in the sense of business tax, but when you look at it overall, the corporate tax went up, and went up significantly.

Mr. Koskie: — Mr. Minister, supplemental, Mr. Speaker. Mr. Minister, when you are raising taxes on the average family by increasing the flat tax and taking from their pockets over \$50 million, how do you justify cutting corporate income tax by over \$13 million? How do you justify it?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, if the hon. member would wish to read the budget document, he will find the following. The flat tax this year — even though there was a one-half per cent increase in the flat tax, 95 per cent of

Saskatchewan taxpayers will pay less income tax effective July 1, 1988 — 95 per cent will pay less, not more. The corporate sector will pay in excess of \$35 million more. That strikes us as being reasonable. The corporate sector is paying more, and the hon. member is misleading the people of the province because 95 per cent of those people are going to pay less income tax under the flat tax.

Mr. Koskie: — New question, Mr. Speaker. Mr. Minister, can you also confirm that in respect . . . a second tax break for big corporations, and I'm talking about the resource royalty reduction, can the minister confirm that the new tax break will in fact deliver to the potash corporations and the oil companies and other resource companies in the neighbourhood of \$20 million in reduction in your budget?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, I think that question was posed to the Minister of Finance. The Minister of Finance rightly indicated that the adjustments made in the corporate tax field in this budget had the net effect of increasing the revenue to government by some \$35 million.

Now when you look at that corporate sector, some pay less, some will pay more. The most noticeable case which will pay less, obviously, is those that pay business tax. And the Minister of Finance and the Minister of Urban Affairs are today working with SUMA (Saskatchewan Urban Municipalities Association) and various local governments as to how that will be phased in.

The net result of that though, which will be the most significant reduction on any corporate side, will be a \$10 million reduction in their tax. And that's significant, and that's to the small-business sector.

With regard to the other question posed by the hon. member, corporations as a whole will significantly pay more. That was the design of the budget, and that's what is going to happen.

Mr. Koskie: — I have a supplementary, Mr. Speaker. Mr. Minister, are you aware that the new tax breaks which we have referred to, the corporate income tax reduction and the resource royalty, will in fact save about \$35 million for the large corporations, and conversely what you did with your flat tax is to pick the pockets of ordinary Saskatchewan citizens by over \$50 million.

I ask you, when it came to making choices in this provincial budget, why did you choose big business over Saskatchewan families?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, it simply goes to show the rhetoric of the members opposite and how he has lacked, and how he did not bother to sit and read the budget. Ninety-five per cent of the taxpayers of Saskatchewan, income taxpayers of Saskatchewan, 95 per cent of them will pay less tax this year when you combine provincial and federal tax — 95 per cent of them

will pay less.

From the corporate tax sector, Mr. Speaker, they will pay in excess of \$35 million more to the Government of Saskatchewan. That strikes me as valid public policy where the corporate sector is paying — some of those that have improperly avoided before are now paying. The net result is \$35 million more to the people of Saskatchewan and to the revenues of the province of Saskatchewan.

Funding for Saskatchewan Ambulance Association

Mr. Goodale: — Thank you very much, Mr. Speaker. My question is to the Minister of Health.

Mr. Minister, your Legislative Secretary admitted this past weekend at a meeting of the Saskatchewan Ambulance Association that the present system for funding ambulance services in Saskatchewan is being "neglected", and is "not working", and will be "re-examined."

I wonder, Mr. Minister, when did the government come to this rather startling revelation that its funding system for ambulance services in Saskatchewan is getting away out of whack, and will the minister give us his commitment that that problem is going to be corrected, not some vague time in the future but in this current fiscal year.

Hon. Mr. McLeod: — Well first of all, Mr. Speaker, the hon. member says, quote this, and end of quote. I will give the quote to the House, Mr. Speaker, and to the hon. member exactly what the Legislative Secretary for Health said at the ambulance meeting. It's the following, and I quote:

Our funding to ambulance boards has increased by a full 100 per cent since 1982. This year, funding will increase by 6 per cent and top \$6.8 million. We wish it was more, but it should address some of the concerns you've raised on the increase and volume of service, compared to only \$3.2 million in 1982. I think you'll agree that you have seen a health increase.

That was the actual quote of what the Legislative Secretary for Health said. There were some folks, you know, who have quoted him somewhat out of context. Obviously the member in his quotation said, "We wish it was more." I will say to you, and I will say to the House, I wish it was more, too. I wish it was; I wish that I could take more to the health sector.

But, Mr. Speaker, as relates to ambulance services, we can be justly proud — we can be justly proud of the way in which we've been dealing with them over this period of time in this six years since we've been in office.

Mr. Speaker, the government opposite, that we replaced here, had the ambulance services hidden over — now just hear this, Mr. Speaker — over in municipal affairs, over in municipal affairs, where they could keep the funding down, and they did. Mr. Speaker, the reason that we have a 100 per cent increase, a 100 per cent increase in ambulance funding since 1982 is because it was sadly lacking then. And we're still saying, even with 100 per

cent increase we still readily admit we wish it was more, and I truly do wish it was more. But we are looking at this with the ambulance industry.

Mr. Speaker, when they were in government over here, the NDP was in government — I know that's not who asked the question — but when the NDP was in government, the ambulances of this province were circling this legislative building. That's the way . . .

Mr. Speaker: — Order.

Some Hon. Members: Hear, hear!

Mr. Goodale: — Mr. Speaker, a supplementary to the same Minister. Based upon the answer that the Minister has just given, is the Minister now denying the media reports carried today that suggested that the ambulance funding system in Saskatchewan was under review? Is the Minister telling us there is no such review, no such re-examination taking place, and that the Minister is turning down the representations of the Saskatchewan ambulance association in that regard? Is there a re-examination or not?

Hon. Mr. McLeod: — No, I'm not saying that at all, Mr. Speaker. I'll say to the hon. member, yes, we are reviewing, and we have been for some time with the ambulance industry, and the ambulance industry knows that well. And certainly they're disappointed, as some others are, that they would like to see more. Every sector would like to see a little bit more, and what we've been trying to do is respond to that in a reasonable and responsible way as we make choices, which is a necessary thing to do.

I might say to the hon. member, as one of my colleagues has said, when his party was in power, we're not even sure there were ambulances in Saskatchewan.

Civil Service Pensions

Mr. Van Mulligen: — Thank you, Mr. Speaker, my question is to the Acting Minister of Finance, and it deals with his government's unfair treatment of civil service pensioners.

Mr. Minister, for nearly two years the pension of some 6,000 civil service superannuates have been frozen with no adjustments whatsoever for inflation.

With inflation running at nearly 6 per cent in this province, the highest rate in Canada, do you think that it's fair to have frozen the pensions of these thousands of Saskatchewan families for nearly two years? And can you assure them that there will be an inflation adjustment to their pensions introduced during this session?

Hon. Mr. Andrew: — Mr. Speaker, I would certainly take that question under advisement as to whether or not there would in fact be a review on that. Obviously one has to look at how one allocates their money in various ways. We will certainly look at this.

Mr. Speaker: — The hon. member has taken notice of the question.

I'd just like one thing clarified with the minister while he's on his feet then. He takes the question under advisement; does he expect to bring an answer back to the House?

Hon. Mr. Andrew: — Mr. Speaker, I simply said I would take it under advisement to . . . It's a representation made by an hon. member of this House, and certainly when an observation is made we can take it under advisement and look for answers to that.

What I've simply said is this, though, is that there are choices that have to be made and priorities where you have to allocate your money to, and so this is obviously one that we've had to look at. These individuals still have a pension; they have a very good pension, and each year they try to have . . . have to have an adjust even though — an adjusting clause — even though they didn't make that contribution or have that type of a policy when they were in government.

Mr. Van Mulligen: — Advisement. Notice. It's just a lot of foot dragging, Mr. Speaker.

New question. Mr. Minister, these pensioners worked hard for many years for Saskatchewan taxpayers. You're awfully vague when it comes to finding the money to adjust their pensions to take into account inflation, but you're not so vague in your budget speeches when it comes to finding tax breaks for large corporations.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Can you explain this double standard, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, if you want to talk about a double standard, it's the members opposite. They've been in government in this province . . . they've been in government in this province, or were in government in this province for somewhere around 30 to 35 years, Mr. Speaker, and during that time, during that time what they did is they entered into an agreement with a lot of public servants and a lot of school teachers, gave them a pension. They . . . not only did they not adjust their pensions, they didn't put their share of the money into it, leaving a situation now where about \$1.5 billion of the civil servants' pension plan is unfunded. That means they didn't put the money away, and some government in the future is going to have to find one and a half billion dollars to pay for that. So if anybody talks about a double standard, to the member opposite, look in the mirror once in a while and you'll see a double standard.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — Mr. Speaker, I want to ask the minister how, in light of what he has just said with regard to pensions, he and his government can justify siphoning off earnings from the Saskatchewan teachers' superannuation fund into the treasury, which they have been doing for the last three years, earnings that should be going to help to pay for the superannuation of the teachers and the deficit that exists in that superannuation

plan. How do you justify that?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, I think the hon. member doesn't have all of his facts. And this is one that I had a number of letters on, and so I did some research on it and the facts are, Mr. Speaker, when it comes to the teacher's superannuation fund there is more than \$130 million in excess of our statutory requirements in that fund, Mr. Speaker. That's our party's commitment.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Justice Ordinary Expenditure — Vote 3

Item 1 (continued)

Mr. Shillington: — Mr. Minister, I asked you Friday before 1 o'clock for some information with respect to your staff. Could you give that to me now?

Hon. Mr. Andrew: — They misunderstood. They thought it was for Trade and Investment they provided the stuff. We'll go arrange and get it and have it for you before the day is out.

Mr. Shillington: — Mr. Minister, the first issue I want to raise is that of farm debt. The Farm Land Security Board is in your department. That is, Mr. Minister, the only program you have at the moment. I therefore want to raise the whole issue of farm debt.

Mr. Minister, I don't intend to repeat what was said in question period so ably by my colleague from Humboldt. There are any number of statistics which prove that farm debt is an enormous problem. As my colleague indicated, some 10 per cent of the farmers are classified by FCC's (Farm Credit Corporation) conservative standards as insolvent; another 28 per cent . . .

An Hon. Member: — I missed that. Could you give it to me again?

Mr. Shillington: — Well if the minister will . . . Perhaps someone would draw the minister a sign so you can say, I'm paying attention, or I'm not paying attention. It's difficult, Mr. Minister, for me to know when you're paying attention. If I now have your attention, then let me start the comments all over again.

Mr. Minister, included within your estimates is the Farm Land Security Board. There's, I think, little question that that board is empowered to deal with what is one of the most serious problems in Saskatchewan today, the whole question of farm debt.

As my colleague from Humboldt so ably indicated, 10 per

cent of the farmers, the FCC, are classified as insolvent — and by FCC's very conservative standards, I might add; another 28 per cent of the farmers are in arrears and in financial trouble. I could go on in the same vein, Mr. Minister, but I think these facts are well known to all concerned.

What distressed I and my colleagues on this side of the legislature was the report of the — and it was not a ministerial statement — the 14-page ministerial statement of the member from Kelsey-Tisdale, the Minister of Rural Development. He finally filed the report prepared by members of your caucus at a very considerable cost to the public, and what we got from that was, in the words of the member from Quill Lakes, nothing more than a promise that we'd have a hot line so farmers would know about debt legislation.

Mr. Minister, the Farm Land Security Board — with no reflection on the people who have so ably tried to make this thing work — the Farm Land Security Board has been inadequate from they very beginning. Mr. Minister, it has . . . it didn't cover, as I and my colleagues pointed out, it did not cover farm machinery, livestock loans; just real property mortgages.

Mr. Minister, if it was inadequate when it began, it is totally and completely inadequate at this point in time. Prices are considerably lower than they were in 1984 when this legislation was introduced. I'm running from memory now, but I think they're in excess of . . . the price of grain is in excess of 20 per cent lower than it was at that time.

Mr. Minister, the debt has grown, the number of farmers who are in arrears has grown, and you've basically done nothing. Mr. Minister, I think it's a fair characterization of your approach is that before the election you threw money at the farmers; after the election you're prepared to let the chips fall where they lay.

Mr. Minister, there are those who are cynical enough to believe that this government has a hidden agenda with respect to agriculture, and that is a rationalization of farm ownership. The federal minister in charge of the wheat board, Otto Lang, the former federal minister, was responsible for issuing a report called task force on farming, which suggested that two out of three farmers should go.

Mr. Minister, I think it's fair to say there's quite a number of people believe that you have the same agenda, but you're not stating it; that you also think that a rationalization should take place. It's the only conclusion that can be drawn from your inaction. Mr. Minister, I implore you and your government to do something about farm debt while we still have an institution which we can fairly call a family farm.

Mr. Minister, I wonder if you'd begin this discussion by giving us the number of bankruptcies . . . I'm sorry, the number of applications to the Farm Land Security Board since the board's inception, the number of reports issued, and the number of reports which were in favour of the farmer.

Hon. Mr. Andrew: — Well this is a good question and I think it's something that needs airing, and I would hope that it is properly reflected for what it is.

There are . . . Let's start and go through the list of the things that you asked for, and I'll add a few more to give you the perspective. There are in total in Saskatchewan some 63,000 farmers. The number of farmers who have received notices, whose notices have been received by the Farm Land Security Board today — that's the number of farmers who have had a notice come from a financial institution — has been 1,806. That is . . . of the total farmers that is about 2.87 per cent of all farmers who have had notice served on them from a financial institution, have taken that notice to the Farm Land Security Board — less than 3 per cent — 1,806 farmers.

Of those 1,806 farmers, 1,061 have had their case dealt with by the Farm Land Security Board — 1,061. That leaves 739 that are still pending before the board. All right, so their cases have not been dealt with by the board as of yet. So of the 1,061 who have been dealt with by the board — are you following me? — 475 of those have been successfully mediated and have gone no further than that — 475 have been successfully mediated.

That means that through the Farm Land Security Board, the farmer and the financial institution cut a deal — that are going on out there on a regular basis — arranged a deal, farmer has gone on, and the process continues.

Of that group, that leaves 586 who have not been mediated and have gone to the next step which is to the court process.

Of those, 289 farmers have had a negative report to the court by the Farm Land Security Board — 289. One hundred and six of them have had a favourable report, 107 of them have requested that no representation be made, and 84 of them have been neutral.

If you are to look at that, at the beginning, of the 63,000 farmers in Saskatchewan, those that have gone through the Farm Land Security Board, which every farmer has a right to, those that have received a negative report by the Farm Land Security Board has been .45 per cent. In other words, less than one-half of 1 per cent of the farmers of Saskatchewan who have been . . . action has been taken by financial institutions, have gone through the Farm Land Security Board, less than one-half of 1 per cent of the farmers have in fact had a negative report to the court. That's 289 farmers. That is current to the end of March 31, 1988, back to 1985 when this started.

(1445)

Mr. Shillington: — I might say, Mr. Minister, that less than 5 per cent of the farmers who have applied for this board have had the board find in their favour. That's the bottom line. Eighteen hundred and six have gone there; 106 got a positive report.

Let me just go through those same statistics as I copied them down. Eighteen hundred and six have received notice — first of all, there's a substantial backlog and I want to get to that in due course. Four hundred and

seventy-five have cut a deal.

But, Mr. Minister, let me tell you what cutting a deal involves. Without exception, when you're dealing with a chartered bank in this country, cutting a deal means the farmer loses the land. They all take the same position that they either want their money or they want title to the land until the farmer can pay them, and that is the universal rule. There may be hidden in that 475 some exception, but if there is, it just simply proves the rule. All of the chartered banks have taken the position that the only deal they'll accept is title to the land and lease back to the farmer.

Mr. Minister, so the 475, by and large, with which there's been a deal mediated, by and large were not in serious trouble or they'd lost title to the land. Of the remaining 586, less than 5 per cent have . . . less than 5 per cent received a favourable report.

Mr. Minister, when less than 5 per cent of the farmers are able to stay on the land, what your program amounts to is in effect an opiate. It just simply takes some of the pain out of the process, that's all it's doing.

Mr. Minister, you aren't saying any significant portion of the farmers who have applied. I don't have a demographic breakdown of these farmers, but I know from experience the ones who are coming into my office, by and large, they aren't my age, they are a little younger than that. They're generally younger farmers who have borrowed, sometimes with their parents who have put up their land for security. These are, by and large, younger farmers, they're our most productive farmers, and we're losing them.

Mr. Minister, we live in a country in which we have an unknown sum of money to bail out Pioneer Trust. We have a billion dollars for a couple of banks. If my figure is correct, we had \$300 million to bail out Chrysler some years ago. We haven't got any help for the industry which produces our basic food. You gave them \$25 an acre, but now you're pounding their tails wanting it back again.

Mr. Minister, . . . (inaudible interjection) . . . the member from Kinistino lends us his assistance. He says why did we charge them so much interest, Mr. Member, you may be aware that interest rates are set by a national government, by a Liberal government in fact, a government which philosophically, at least, you people are close to.

Mr. Minister, I say again that this Farm Land Security Board has just been an opiate. It's just simply taken the pain out of the process, but the process continues. You're taking the farmers out of farming.

If out of 1,806 all you've salvaged is five per cent, then you haven't salvaged very many, Mr. Minister, and the program isn't working. And we beseech you to come up with a program which will save the family farm.

Some say there isn't much chance of this government being re-elected, and a more energetic and inspired group will get a chance after 1990. Whether or not that's true, Mr. Minister, there isn't going to be enough to salvage after 1990.

The program demands . . . This problem demands attention now. You ream off a bunch of statistics which I say proves that the board is not adequate to do the job. And as I say, I cast no reflection on those who have so ably and conscientiously tried to serve it.

The whole structure was inadequate; it was inadequate from the beginning, Mr. Minister, it has served the needs of the banks nicely. Only 106 have got favourable reports, and I might say that of the 106 which have got favourable reports, a goodly number of those have not found a very sympathetic court process.

One of the problems with using the existing courts is they take the position that the money's owing, and if you can't pay it, favourable report or otherwise, the foreclosure proceedings start. A number of judges do take that position. So of the 106, the five per cent which did get a favourable report, the number which have actually been salvaged, I suspect, is very few.

Mr. Minister, the figures given to us prove that the board isn't working, and the problem cries out for a solution which will keep young farmers and productive farmers on the land.

Hon. Mr. Andrew: — I mean, let's — for the hon. member, a couple of observations. Number one: what I indicated to you is less than one-half of one per cent out of all farmers in Saskatchewan who . . . Okay, there's 63,000 farmers. As you know and I know, there's lots of them that are not being foreclosed.

When you get down to the process, some are being foreclosed and they go through the board. There are almost twice as many being mediated as go further on to the court. Now if less than one-half of 1 per cent are finding themselves ultimately to the court, as you know and I know, while that maybe is higher than it's traditionally been, there has always been people going to the court on foreclosures in Saskatchewan. And I don't think you would deny that.

Now you say when they make a deal . . . You talk about the number of people going into your practice that are dealing with the farm debt problem, and I don't know how large your practice is with regard to that issue . . .

An Hon. Member: — Very large, but I act for the farmers. You guys act for the banks.

Hon. Mr. Andrew: — Well we'll get into that in a minute too, about who acts for the banks. But let . . . If you want to raise that, we'll get into that. I tried to avoid it.

But I can assure you that of the area where you will see the largest concentration of people in trouble with their farms happens to be in the area that I represent, in the Kindersley, Rosetown, Eston, Kerrobert area. And statistics will show that that is where the largest number of these problems come. And I know many of the people in the Kindersley constituency that have that type of problem, and I've talked to many of them.

And there's a lot of arrangements being made out there,

and I will say particularly with two institutions — the Royal Bank and the credit unions, who are the . . . who are doing what I would say is the most commendable job in this — but are making deals and making arrangements where they are cutting off, in many cases 200, 300, \$400,000 of debt, writing it off over in excess of, let's say a quarter section or half section that's being transferred back to the financial institution.

So they take maybe a quarter section or half section back, and they write off from there anywhere up to 3, 4, \$500,000. That's being done, and it's being done on an individual by individual basis. So I think for the hon. member to say that it's simply a matter of coming in and giving them as much land as they got, I don't think he's being fair to the process that's going on out there.

And if he is, he's not representing his clients very well because there are a lot of clients going to the board, making arrangements with the various financial institutions, cutting the debt down significantly, maybe selling a quarter off or a half off, raising some money from that, paying the debt down further so the debt is then manageable, and on they go. Very often, when they in fact are turning the land back over to the financial institution, they lease it back to the same farmer, so the farmer is still farming the set piece of land.

Now I don't say that times are not difficult out there; clearly they are. But I think it would be unfair for the hon. member to simply suggest that the bank is not giving one inch and you simply transfer the land back to it, because that's not what's going on.

Mr. Shillington: — Mr. Minister, I would like to know how many of the cases which are successfully mediated result in the farmer losing title to all, or a portion, of his farm land.

Hon. Mr. Andrew: — There's no set statistics as to how many of the arrangements are in fact done that way. But what I ask the people from the Farm Land Security Board to do is to draw out perhaps four random samples of people that were successful before the board and four that were not successful, to try to get an idea of the situation. I know that's difficult because it's not a random sample, just like yours is not, and statistically it's not.

But if you wish I could go through those four random samples. If you don't wish me to, I wouldn't go through them. But that's the type of situation that you are looking at. If a farmer finds himself in a situation where he owes a lot more money than he can service, he's not a whole lot different than a lot of other people.

Let's say an individual farmer had 10 quarters of land and he had a very large debt and he could not service that debt given the present economic environment in the field of agriculture. Very many times you'll find a situation where the farmer maybe would sell off a half-section and take the proceeds from that sale, pay down the debt, at the same negotiate a deal with the financial institutions to reduce the debt — maybe get another bank to refinance it — so he's left with now eight quarters rather than 10 quarters. But he's also left with a serviceable debt that he can handle out of his cash flow, and then on he goes.

Now the hon. member sits there and says that, well that's not fair. The problem in Saskatchewan is that the total farm debt is what, about \$5 billion — between 5 and \$6 billion. Now is the hon. member to suggest that none of this debt should be paid back, and there should be no enforcement on debt whatsoever in any way, shape, or form, or no enforcement on mortgage debt whatsoever. Is that what the hon. member is suggesting?

Mr. Shillington: — Well, if this government wants to follow the dictates of the public which show that your support is about half of ours, if you want to resign, we'll take over and then I'll be happy to tell what our policy is.

Mr. Minister, and I run, at least once every quarter, a constituency meeting where my constituents can come and ask me questions. I invite the hon. minister to show up with his questions there. The function of question period, however, is not to ask the opposition questions but to examine the *Estimates* of the government.

Mr. Minister, the whole approach of your government is that when a farmer is in trouble, a private investor ought to own his land. Whether that be the banks, under this scheme, which is what is happening, or whether it is speculators, under the equity financing proposal, the whole of your . . . your whole approach is that if a farmer is in trouble, he ought to be bailed out by private investors and by having his farm land owned privately by somebody other than himself, and you become a tenant.

I know, Mr. Minister, that is in accordance with the finest dictates of free enterprise which I suggest that no one today, apart from you people, really believes it. I suggest, Mr. Minister, that very few farmers really believe that they ought to be subject to the same rules as someone who opens up a car lot; if he doesn't pay his bills, someone takes over the lot. Mr. Minister, with respect to farming, the normal rules of the market-place need to be set aside. I think that is generally agreed and I think most farmers believe that, that in these circumstances the ordinary rules of the market-place should not be allowed full rein.

Mr. Minister, I suggest with respect to your existing policy, when the farmers don't pay, the banks wind up owning the land. In due course, much of that will probably be sold to existing farmers, I grant you that; that, in effect, is a consolidation of the ownership.

(1500)

Your equity financing, Mr. Minister, has the same result, that private investors are going to own that farm land if the farmer gets himself into trouble. And I say again that very many farmers got themselves into trouble through no fault of their own.

Mr. Minister, there aren't very many industries which would survive as well as farming if the price of the commodity is 40 per cent of what it was seven, eight years ago, which is the situation the farmers face. So I say to you, Mr. Minister, that your policy is that if they can't pay their debts, somebody else ought to own the land. I say to you, Mr. Minister, that's not acceptable to farmers, and it shouldn't be acceptable to this government.

Your equity financing proposal was initially . . . I first initially heard it being promoted by the credit union system. They soon abandoned it as being unacceptable. Anyone other than . . . if any group other than this government, anyone who was a bit more sensitive or a bit better able to listen to what people are saying, would have long ago abandoned it as well. But being complete slaves to the free enterprise system, Mr. Minister, you're going to let the farmers go and let the banks or private investors own their land. I say that's just simply not satisfactory, Mr. Minister, and something a great deal better than that is called for from this government.

Hon. Mr. Andrew: — Well I think when the hon. member suggests that the governments, both in Saskatchewan and Canada, Progressive Conservative governments have not come to the aid of farmers, he is somewhat being tongue in cheek with that.

If you look at within the last 12 months alone, the federal government have given to the farmers 1.1 — \$1.2 billion deficiency payment, and they have funded out of the western grains stabilization program, the program that was in effect broke, went to the treasury and had \$775 million more. Now that's in excess of \$2 billion to farmers, and I don't think the hon. member would suggest, and certainly farmers in this province are not suggesting, that governments have not come to their aid.

Now obviously other governments in other parts of the world have come to the farmers' aid even more than we have, and some a lot less, but clearly, there has been aid provided, and significant amounts of aid provided. If you go back over two years, two years from today, back, you will find that contribution by way of the production loan program, by way of two deficiency payments, by way of two western grains stabilization payments, well in excess of \$4 billion — \$4 billion. Now that's hardly doing nothing.

There has been more money put out in those last two years to farmers in Canada and in Saskatchewan than there has in 50 years of total contributions by government before that — more in two years than there was in 50 years before that. And to say somehow that is not standing up for the farmer, making a contribution, is absolutely false.

With regard to the equity financing, now the member talks about equity financing, and I'm not going to here get into a whole deal of equity financing because that does not fall under the Farm Land Security Board. But suffice it to say the following, that there are various options on equity financing for agriculture. There's not just one, there's not just one equity financing proposal. Clearly the Saskatchewan Wheat Pool has a proposal for equity financing; clearly the credit unions have a proposal for equity financing in a variety of forms.

If the hon. member got back and asked who owns the bulk of the land of lenders — that have gone back to lenders — almost half of the land that has reverted back to the lender has reverted back to Farm Credit Corporation. Over half that you see today in Saskatchewan, or almost half is Farm Credit Corporation which, as you know, is the

federal government. So when the member says you're just simply giving it back to the banks, when almost half of the land that has been retaken is by the federal government through the Farm Credit Corporation, which is a Crown corporation financed by the federal treasury, then where does the logic of his argument flow, because over half of it is that way.

Now with regards to the option that hon. member is really talking about, is that he is proposing once again — I'd thought you folks had moved off this issue — but you're proposing that the government step in and take it through land bank. I think that's the proposal you're really talking about again. We thought in the last session, from '82 to '86, you guys had started to give up on that theory, but looks like you've come back to it. And in my view, the land bank is not the way to go.

Now we can sit and debate that for some time, but we're in the area of Justice estimates, and we'll leave the Ag guys to get into the rest of those details. I can talk only here about Farm Land Security Board. I can honestly say to the member opposite that the board has been doing a commendable job and it's working. And if you look at other areas of the country, it is working there as well, some similar, some in various forms, and we have been studying those throughout the winter months as looking at ways that we might improve the Farm Land Security Board. And that's clearly something that we have been addressing, and it's something that we hope that we will be able to come forward with some proposals in the near future.

Mr. Shillington: — Mr. Minister, you may consider yourself fortunate that you don't have to sell the equity financing, because I think it's going to be a very hard program to sell. I have heard farmers describe it as a process by which the farmers get to pull all the weeds, and the investors get to make any money that there is to be made on farming.

Mr. Minister . . . But we will leave equity financing for another forum. Suffice it to say, Mr. Minister, that if you listen to the wheat pool, which has put a proposal forward, as this thing from the credit union which did not put your proposal forward, specifically started to promote it and quit because of its unpopularity, I think you'd know, Mr. Minister, that there is a role for government in dealing with this problem. I think it's fair to say, Mr. Minister, that a great many farmers would rather have to deal with a government which at least has to get elected by the people of this province rather than investors from New York, Toronto, and Montreal, which are accountable to no one but the almighty dollar.

I think, Mr. Minister, if you listen to the wheat pool, what they're saying, and if you look at what the credit union system did which was abandon this proposal, I think you'd know there's a place for the government in solving this problem, and it is not enough to leave it to the free market.

Mr. Minister, I want to return to the Farm Land Security Board. I say again, Mr. Minister, that you said it's doing a good job. I say, Mr. Minister, it is doing a good job of what you want it for. I say, Mr. Minister, your policy, unstated,

is that there's a role for rationalization of ownership, and some of the farmers have to go. Having learnt from Otto Lang's experience, you don't put a precise figure on it, but that's your proposal and that's what's happening.

The Farm Land Security Board, Mr. Minister, is just simply an opiate. It's just taking the pain out of the process, but the process is going on none the less. Farmers are leaving and losing title to the land. I think the vast majority of the 475 which were mediated lost title to the land. I'm not interested, Mr. Minister, in your four cases. I don't believe you'd give me four representative cases. I'm interested in some facts, some statistics.

Mr. Minister, let me just stop on that point for the moment. Will you undertake to give me a statement of how many of the 475 farmers who've cut a deal wound up losing title to all or a part of their land? Are you prepared to undertake to give me that?

Hon. Mr. Andrew: — I'll undertake to try to get that calculation. You can appreciate it might take some time to do, though, the calculation in that term. I will give you that calculation. I will also give you the calculation of those people, how many of them are still farming.

Mr. Shillington: — Oh I think that a lot of them are still farming, Mr. Minister. This proposal, this program is only three years old and, to be quite frank, the banks are having some difficulty selling the land. They say that quite openly. One of their big problems is selling land which they have taken.

Mr. Minister, you point out that the Farm Credit Corporation is responsible for half the problem. I grant you that. I don't deny that. I say two things with respect to the Farm Credit Corporation. One is, you might have noted the political stripe of the government in Ottawa in recent years. You might have also noted that the Conservative government in Ottawa reversed a policy which had been standing for some time, and that is the . . . John Wise announced that foreclosures would begin.

Mr. Minister, there are some chilling statistics with respect to the amount of Farm Credit Corporation land. I have, Mr. Minister, statistics which suggest that one in 10 Saskatchewan farmers has a Farm Credit Corporation mortgage which is in arrears.

Mr. Minister, I don't believe I had to remind you that, according to well established banking practices here and in other countries, a loan which is more than 90 days in arrears is considered non-functioning. Mr. Minister, there are over 10 per cent of the Saskatchewan farmers have loans with Farm Credit Corporation which are non-functioning. Mr. Minister, that suggests that the Farm Credit Corporation is a major part of the problem. By beginning foreclosures, as they have, they're going to contribute very largely to the consolidation of ownership and the disappearance of the family farm as we know it.

Hon. Mr. Andrew: — I think that you've partly identified one of the problems, and that's with Farm Credit Corporation. I think that it was not . . . You indicated that he cancelled the long-standing policy of moratorium on all foreclosures at farm credit.

I think it would be stretching it a bit to say that he had done away with a long-standing policy in the sense that he was the individual that brought in the policy in the first place, and they've only been in government since 1984.

So that was done about a year ago, and that would mean that they . . . that policy, I think, was in place, and I stand to be corrected, but for two years. And what happened and why I think your party's policy of total . . . of coming down and saying there shall be no . . . there shall be a total moratorium on all foreclosures — what happened when farm credit did that, quite frankly, is a lot of farmers just ceased and quit paying their mortgage payment to the Farm Credit Corporation. Two years later they found themselves in quite a problem because the number of . . . the amount that that particular individual farmer owed was significant and growing.

With regard to your first question, with regard to role for government, clearly there's a role for government in this process. I think the hon. member would not be fair to the public to suggest somehow that the process used, as it relates to farm debt, is a similar problem as a used-car dealer or small-business dealer, and that's not true at all.

What a farmer has to go through, or what an institution has to go through in order to foreclose a farmer, is far more significant, far more onerous, with far more checks and balances in it as it relates to farming than it does relate to business sector.

So I think the hon. member, in fairness, would admit that, as a practising lawyer that says he does a lot of this work in court, would have to acknowledge that to be the case.

Mr. Shillington: — Let me just assist the minister with some information about the role that Farm Credit Corporation is playing on this.

Mr. Minister, for your information, in May of '87 the moratorium was lifted; it had been in place for 19 months. Mr. Minister, of the Farm Credit Corporation loans, 6,750 are in arrears; one-third of those are in arrears for more than two years, which suggests a very serious problem.

The number of people who get two years in arrears in their mortgage, and they never catch up again, in statistical terms is fairly small.

(1515)

What that means is that one in 10 Saskatchewan farmers is in arrears to the Farm Credit Corporation — not one in 10 Farm Credit Corporation clients but one in 10 Saskatchewan farmers. And the Farm Credit Corporation is now moving on those farmers, the one in 10.

Mr. Minister, your government has made its own contribution to . . . well, just let me go back a moment to the Farm Credit Corporation. I think it will illustrate what I was indicating earlier about mediated settlements. Mediated settlements, in the majority of cases, result in the farmer losing the land. Mr. Minister, the information which I have suggests that 180 foreclosure notices have been mailed out; another 120 were negotiating

settlements. With respect to the Farm Credit Corporation, over 50 per cent of those with which there was a settlement, the farmer lost title to the land. That illustrates the point that I was making earlier, that in my experience negotiated settlements mean the bank gets the land, the farmer gets a short lease, and that's all he gets.

And I'll tell you, Mr. Minister, just as soon . . . and at some point in time the clouds will break, the sun will start to shine, and the price of grain will go back up again. And just as soon as that happens, almost all of those people who have transferred their land to the farm or to Farm . . . sorry, to the bank or to the Farm Credit Corporation, are going to lose title to the land because those institutions will then sell the land. And it's most unlikely that any of those farmers who are presently in difficulty, and thus lose their land, will ever be able to buy it back.

So, Mr. Minister, the statistics which I have on Farm Credit Corporation in fact illustrate the point I was making. Negotiated settlements usually result in the farmer losing title to his land and becoming a tenant, often with a very short lease.

Mr. Minister, and this is . . . I recognize not squarely within the confines of your department, but the problem is one, and it's difficult to talk about part of the problem without talking about it all. The lands branch of the Department of Agriculture, in administering the provincial Crown land, has taken its own merciful approach to the farmers. On December 5, the Premier, the Minister of Agriculture, issued instructions to get tough with the agricultural leases and to start collecting the arrears. And they were told that unless the lessees could bring their payment into order within one year, the government was going to take further collective action.

I don't know, Mr. Minister, whether or not this falls underneath the Farm Land Security Board; I don't think it does. But I say that across the board, Mr. Minister, your policy, whether it be in the Department of Justice, whether it be in the Department of Agriculture, or whether it be your federal brethren running the Farm Credit Corporation, your policy is that if the farmer can't meet his debts then the free market will take care of the problem, and that'll result in the farmer losing title to the land. That just is not satisfactory, Mr. Minister. There's an awful difference between car lots and farmers.

The number of farms in this province is very important to the social fabric of this province. If the structure of ownership changes such that instead of having 50,000 farmers we have 10,000 farmers, the social structure of this province changes fairly dramatically.

I don't think any of my constituents have any interest in whether there's 10 car lots in the city of Regina or 50 or 100 or 500. I don't think they care, nor do I think they should interest themselves in the problem. But Saskatchewan people do have a legitimate interest in the ownership of farm land. It's important to the social structure of this province. Your problem, as I said some . . . and your solution, as I said some time ago is just simply to let the chips fall where they lay.

Well the member from Esterhazy finds himself amused by

that. I believe the member from Esterhazy sat on the committee which eventually resulted in this MLA report coming forth to the legislature. The member from Esterhazy undoubtedly will want to add to that report and tell us what they're going to do to solve the problem, because it isn't in that report. All they've got in there is a hot line which will do no good, and an equity financing proposal which nobody will buy.

Mr. Minister, I say again that your government needs a proposal that'll keep farmers on the farm land, on the land, and it isn't going to come about through the private market. Mr. Minister, these things have a habit of coming along every now and then. Some 50 years ago, in fact five decades ago, during the '30s, similar problems arose. The government of the day, then not quite so wedded to the free enterprise principles, brought in a debt adjustment board. I took the opportunity to reread that piece of legislation that I think might be of some assistance.

It did not write off the debt, as I thought it did; that was the practical effect of it, but in fact what it did was set it aside. Mr. Minister, that's one of the proposals which you might interest yourself in, which would result in the farmers keeping their land.

The wheat pool proposal is another proposal which gives the farmers a good deal more security than your equity financing proposal. There's any number of proposals around, Mr. Minister, but you stubbornly continue to insist that an inadequate proposal brought in three years ago, when the situation wasn't anywhere near as serious as it is now, is adequate.

I say to you, Mr. Minister, this isn't adequate and I wish you'd admit that. That would permit us to get on to another stage of the discussion and that is what ought to replace it.

Hon. Mr. Andrew: — Let me reserve my comments with regards to debt adjustment board and a total moratorium, which is all I've heard from him so far. The hon. member started out this questioning by saying that he has seen a number of farm clients in his office. Now I say to the hon. member, when you posed a question to me about somebody with leased land and how that applies to Farm Land Security Board, well it doesn't apply. Now if you're not familiar with that, I question how much help you're going to give to the farmer, because anybody with the lease goes to the federal board; you don't go to the Saskatchewan Farm Land Security Board.

So I would think that you should be aware of that so the next time somebody comes in and asks you that question, you can advise them accordingly, because I'm sure that he would appreciate having that kind of advice. That's number one.

Number two: you say that if the land is taken back to farm credit or to a financial institution like the credit union or whatever, in the vast majority of cases, there is a clause written in the contract — and I'm sure the hon. member, who does a fair amount of farm practice, would do this in his contracts — of the right of first refusal. And many of these, certainly all farm credit ones, or most farm credit ones, have the right of first refusal — that they could claim

the land back or transfer some of the land back to farm credit, lease it back over a three-year period, or whatever, whatever the arrangement is, with a right of first refusal. And in the event that things turn around, these particular farmers have the right to meet that price and buy the land.

The reason that the lease-back, of course, is less than three years for most institutions, is the Farm Ownership Board only allows two years of a lease-back, otherwise you can't go beyond that. And that's why the arrangement is such with regard to that particular question.

Then you make the mention of Farm Credit Corporation. And again, as a lawyer you are fully aware of the fact that Farm Credit Corporation is a federal Crown corporation, a federal institution. And you're also, being a constitutional expert, know that it's very difficult for the Government of Saskatchewan to bind the federal Crown. In fact there's been many constitutional cases that have said you can't do that. So farm credit is a different coloured animal when it comes to this particular issue. And so the rules as it relates to farm credit can be somewhat different than the rules as it relates to other financial institutions.

You asked a question with regard to farm credit. Of the 1,806 farmers that have served notice to the board by the end of March 1, I believe, 437 of those were farm credit that brought the action, so roughly about a little less than 20 per cent of those. That's somewhat of a distorting figure in this sense, that only recently have farm credit started . . . begun to commence these actions. And what you've seen in the first quarter of this year is about 60 per cent of all actions being filed before the Farm Land Security Board have in fact been farm credit driven. So when you look at the new ones coming forward these days, over 60 per cent of those are Farm Credit Corporation, and so that clearly is something that we recognize.

Now, as . . . and I don't want to get in to a whole lot more with regard to where farm credit is, etc., because they're really not estimates that we can appropriately deal with under this narrow area of the Farm Land Security Board. I'm prepared to have fairly wide latitude on this, but I would just as soon not get into too much into the stuff that really they don't in fact deal with.

Mr. Shillington: — Mr. Minister, will you admit that on April 18, 1988, the grain prices we have, and the length of this particular recession, agricultural recession, that this program is now, at this point in time, not adequate. I'm not asking you to agree with me that it was inadequate when it began three years ago, but will you admit that at this point in time this legislation is not adequate to do the job?

Hon. Mr. Andrew: — My response to the hon. member would be the following: that I believe, and I think if he was fair, if he was fair he would say that Farm Land Security Board has done a commendable job since 1985, has served the farm community well.

Now if you go back to 1985 a lot of people anticipated that perhaps the cycle would have been finished by 1988-1989, and all things were going to be well. That seems that it's going to take a little longer than that.

There's some optimism, I suppose, on the front these days with some, at least, modest increase in the price of grain, and I hope that that's a positive sign of things to come down the road. Clearly, there is a farm debt problem out there; that debt problem is a magnitude of in excess of \$5 billion in this province. Clearly, the value of land has de-escalated to a point that it perhaps dropped three and four times in many areas of the real value. Land that was selling for 12, \$1,500 an acre in the Kindersley area now sells for maybe 4 or \$500, and that's even high now; for other areas it's perhaps down to 3 and \$200 per acre. So clearly, there is a problem associated with low grain prices — high debt.

Many farmers got trapped in the '70s with raw and runaway inflation; farmers got trapped. And I remember back in those days when I was not a politician but practising law, and many farmers would come in — and the price of land maybe was a hundred bucks an acre — come in with maybe their son and say, we should maybe bid on this. Well, it went too high; it went for 150; we're not prepared to pay that. So the next year they would come in again, and there's some more land up for sale and they say, well the bid probably this year to get it is probably going to have to be 250 to 300 bucks an acre. And they would sit and root at that, and eventually decide not to buy that. This went on year after year, and eventually maybe they bought some land that cost them \$1,000 an acre. Then all of a sudden the price of land dropped, along with the price of grain and everything else; interest rates went up, and they found themselves trapped, quite frankly. Now you say that's none of their doing; I agree with you. Many of them saw that, well, if you don't buy it today, it's going to be twice as high tomorrow; that was the issue of the '70s.

But then all of a sudden, the price of grain went down, the price of land went down, interest rates went up, and they got caught. Now all I say to the hon. member is that I have a great deal of sympathy for those people that are trapped in that situation on the farm, without question. Not only have they faced that problem here, they faced that problem in virtually all areas of the world with the exception of three major areas that subsidize in horrendous amounts of money.

(1530)

You have to manage your way through it. If you go back to earlier this year, you run the great danger . . . You can say, well we'll have no more foreclosures, as you say, or we're going to force the write-down of debt, as you suggest, and then all of a sudden the financial institutions cease to provide money by way of loans — operating loans or whatever — and then a whole bunch of farmers that have been doing fairly well get trapped because they haven't got the wherewithal to get operating money. So you have that problem.

And so what has to be done is that balance. Does the hon. member say, do we have to look at changes? I think in a problem like this it constantly evolves, and it constantly calls for changes and modifications, and those . . . I indicated to the member two or three answers ago that those are areas that we're looking at as to how we best respond to it.

Mr. Upshall: — Thank you, Mr. Chairman. The Farm Land Security Board has been put in place . . . or was put in place to serve the purpose of trying to help farmers stay on the land, as I understand it, and try to help them rearrange their problems, their debt. And yet the board itself was given no power, with all due respect, to those people on the board.

And I think the figures indicate that . . . you know, the purpose of keeping farmers on the land has not been achieved, not been accomplished. When you look at, you know, 106 recommendations out of 1,800 farmers written in favour of the farmer . . .

An Hon. Member: — Give me that again?

Mr. Upshall: — 106 recommendations to the court, written in favour of the farmer out of the 1,806 farmers that foreclosure notices were filed upon.

Now I know I heard you saying earlier that this was a small number of people, but the problem is that the numbers are continuing to grow, and we're not having a solution by the government to stop that. And so in order to have the farmers on the land and to keep them there, we're going to have to give the Farm Land Security Board some more power as to . . . or maybe broaden their field as to what they can actually do to help farmers, because when we're looking at 106 recommendations written in favour, you know, and 289 recommendations written in favour of the lender, that's 3 to 1.

And the problem isn't the inefficiency of the farmer, it's the fact that there's nothing in place in these times of high inputs, high debt and low returns to keep them there. The programs are lacking, the government programs are lacking. The programs that you have in place aren't accomplishing the job, and I just ask myself, why?

You know, when we look at the grain prices, in 1986 of \$130 a tonne for wheat, and 1987 of \$104 a tonne, a drop of 20 per cent, we have to have a government that's committed to keeping farmers on the land. And right now I really don't see that, and the farmers don't see it either because when I talk to them they're asking me why, you know, why there is no hard program to keep us here. Oh, there's Band-Aids here and Band-Aids there. Unfortunately the Farm Land Security Board is one of those Band-Aids, I believe.

So could you, Mr. Minister, just enlighten us as to how you could see the Farm Land Security Board having more teeth so that their objective of keeping more farmers on the land, or keeping all farmers on the land, could be accomplished.

Hon. Mr. Andrew: — To the hon. member, when you say that you should give the Farm Land Security Board more power, and I assume that what you're asking for there is the power to adjust debt or write-down debt, or that type of thing, the hon. member has to be aware — and you should consult with your colleague the member from Regina Centre as to the constitutionality of what a provincial body or board could do; perhaps you could consult with the member from Assiniboia-Gravelbourg . . .

(inaudible interjection) . . . Well, he might know something.

The reality is this: you can go so far as a provincial body, and then if you go too far beyond and have the power to write-down debt and this type of thing, you violate the constitution of Canada. And there's various decisions on that, and if you wish I could get a list of those decisions that have been advanced over the years and I could give them to you and you might read those and for yourself determine why there's a restriction or limitation on that.

The hon. member was out of the House when I gave the figures to the member from Regina Centre, and I will go back and give them to you again. There are 63,000 farmers in Saskatchewan. The number of farmers whose notices have been received by the Farm Land Security Board is 1,806 out of that 63,000. So that's less than 3 per cent, 2.87 per cent. Of that 1,806 farmers, 1,061 have been dealt with by the Farm Land Security Board to date. The rest are still to be dealt with. Now 475 of that 1,061 have been successfully mediated. They're still on the land, they're still farming, but that's been mediated and they've made an arrangement or a deal.

That leaves 586. Of that 586 only 289 have in fact had a negative report by the Farm Land Security Board to the court, and that is less than one-half of 1 per cent of the farmers of Saskatchewan have received a negative report by the board being forwarded to the court. Of that 289, many of them are still before the courts now and are still on the land, I would guess almost half of them, which comes down to less than 200 . . . less than 150 people probably, have in effect lost their land and gone through the Farm Land Security Board, of the 63,000 farmers. So that's less than a quarter of 1 per cent are not, in fact, farming.

Another interesting statistic I think worth looking at, as you've also indicated that so many people are leaving the land, in the year 1971 through 1981, an average of a thousand farmers per year left the land in Saskatchewan. Under the NDP administration, 10,000 farmers left the land. There is in fact more . . . there is fewer farmers in fact leaving the land today, in the last three or four years, even under desperately difficult financial conditions, than there was back in the decade '71 to '81.

So when you're talking about keeping people on the farm, I think the various programs — you call them Band-Aid programs — the various programs have, in fact, had the effect of keeping farmers on the land. Is it difficult out there for the farmers? Clearly it is. Some of them are not going to make it, that's true, and that's unfortunate.

Is it their own doing or somebody else's doing? I think in any one of these situations, individual basis you have to look at. Some are in trouble because they paid too much for land. Some are in trouble because maybe they bought too much machinery for the size of their farm. Some of them are, and many of them are in trouble because they ended up borrowing money and then running into the 18 and 20 per cent interest rates of the late 1970s and early 1980s. And that's a reality.

And perhaps some of them are in trouble because they've

had five or six years of very, very poor crops because of weather conditions or whatever. So there's a variety of reasons. There's no one farmer the same as another farmer of the 63,000 in Saskatchewan.

Mr. Upshall: — Well I can see, Mr. Minister, that you've washed your hands of the problem, and that's sad. You're saying, well the law says this: we can't do anything about it; I'm sorry sir — as he loses his farm.

Regardless of the constitution, Mr. Minister, there are ways and means of keeping farmers on the land. And instead of trying to find out those ways and those means, what you say is, I'm sorry, we can't do it because of the constitution.

Well I'll tell you, Mr. Minister, that may be okay for you to say, but the problems remain, the problems of the farmers remain. And I'd just like to ask you one question. Do you believe that the farmers are better off today than they were in 1981, as you said, with fewer farmers leaving the land? And do you believe that this problem of farm debt is not severe enough to go beyond the Farm Land Security Board to attempt to help farmers in other ways to stay on their land?

Hon. Mr. Andrew: — Well, I mean it's nice for the hon. member to say regardless of the constitution, or forget the constitution. I guess we've all learned in this left that the constitution is the constitution. Sometimes you agree with it; sometimes you don't agree with it.

But the reality is that the constitution is there, and we, as Canadian citizens, whether we are in government or whoever we might be, still have to live by the constitution or live by the rule of law. Now I don't think that the hon. member would somehow suggest we don't live by the rule of law.

He asked a second question: are farmers better off today? Are farmers better off today than they were in 1981? Well that is somewhat of a foolish question. Clearly they were better off in 1981, and the reason they were better off in 1981 is because the price of grain was significantly higher than it is today, as we all know that.

Now how do you then carry through and deal with the environment that we find ourselves in today? You do it in a couple of ways. Number one: you do it by giving assistance to farmers. And as I indicated to your colleague while you were out, if you look at the contribution being made by governments in Canada and in Saskatchewan in combination over the last two years, you've seen more assistance to farmers in the last two years than you saw in total 50 years before that. That's the reality — over 4 to \$5 billion.

Now you do it by (a) providing assistance out there for the farmer. That's being done. Should more be done? If there was more money, clearly we would like to see more go to the farmer. And you do it by assisting the farmer and coming to grips with his debt problem. The Farm Land Security Board has done an effective job in that. Has it saved every farmer? Obviously the answer is no.

And should we have a policy that says, no farmer in

Saskatchewan should ever lose his land? Should we have that kind of a policy? And if you were to propose and advocate that policy as you do, then you run into the second problem, is that the farmer then loses his ability to obtain credit. And if you lose your ability to obtain credit, are you solving the problem for the majority of farmers, or are you not? Now the credit union, the Wheat Pool, and people acknowledge that point; the members opposite choose not to even address that — choose not even to address that. So then it becomes a combination of the two things that you seek to do.

There's no simple, easy answer to the farm debt question. It must be dealt with on an issue-to-issue basis. It must be dealt with by constantly modifying and upgrading the programs and the policies that you have, and we, I think, have been doing that, and if the member opposite wishes to get into this idea of farm debt set aside, then we can get into that as well.

Mr. Upshall: — Mr. Minister, it amazes me how you attempt to low-key this problem. I mean there's a serious, serious debt crisis out in the country, and yet you say, well look, only one-half of 1 per cent — or whatever the number that you used — is the problem, the Farm Land Security Board have dealt with that.

It amazes me how that attitude can prevail, unless you're so far out of touch with what's going on that you don't know any better. And you talk about your assistance to farmers. Well I'll tell you, that money was necessary but the problem is, between this Tory government and the federal Tory government, those programs were meant as much to keep Tory governments in power as they were to keep farmers on the land. And that's the problem. You talk about the constitution. Well, you got a Tory government in Ottawa I'm sure you could work well with if you really wanted to get around this problem.

But that's the key here: does the Tory government want to get around the problem of farm debt? And if they did, they'd be doing something about it. But they don't, so they're not doing anything about it. They're saying, well we're doing all we can.

(1545)

The member from Qu'Appelle-Lumsden says that the provincial treasury is too small, we can't handle it. And then they'll turn around and say, well look, we gave you more money in the last few years than you've ever gotten. So what! The farmers are still being pushed off the land. And the Farm Land Security Board is not doing the job to keep them there, and there's a number of others who are in great difficulty and who are losing their farms.

And if your solution is for the Farm Land Security Board to keep the parcel of land, the 10 acres or five acres around the building, well that's some solution; and let the farmer rent the land back, that's not the problem. The problem is your inability to allocate and properly distribute funds from the federal and provincial treasuries in order to keep farmers on the land. And the farmers out there know that and that's why the move is on, away from Tory governments.

Again, I would just like to underline and ask: in light of what's going on, why the low-key approach? Why the lack of solutions? Why not attempt to go to the federal government and say, look, we need a solution to this problem, instead of abdicating your responsibility to the farmers of this province. And that's what you've done. You've abdicated your responsibility.

And I say to you, Mr. Minister, and to your government: if you really wanted to help the farmers out, you would find a way to do it. You would find a way to do it in many ways, including the Farm Land Security Board. And I'll tell you, your lack of action, your lack of response and your voidness of ideas are telling the farmers of this province that, Farm Land Security Board or not, the Tory government isn't standing behind them.

So I ask you again, why haven't you attempted to go to Ottawa to talk to the Mulroney government and use some of your ideas, if you have any, to maintain the people on the farms today, instead of slowly eroding the number, slowly year by year, fewer and fewer?

I guess my question is this: are you following the plan of your Premier who in 1977 said that he had to reduce the number of farmers, and is that the game plan of this government, to, with all the programs including Farm Land Security Board, kind of low-key it, sit back, just wait, and eventually get the numbers down where they're manageable?

Hon. Mr. Andrew: — Well let's look at it. The member says that this is why we're seeing the move against Tory governments. The next big test about whether they want a Tory government or not is going to be in Manitoba on April 26.

Now I don't know what's going to happen there, but I would be . . . If I was to listen and believe what I write in the newspapers, and I don't, but what the newspapers are suggesting is that the NDP is not going to win one seat in rural Manitoba — not one seat in rural Manitoba. And they likely will all go to the Tories —likely all go to the Tories. So what does that say for NDP farm policy in Manitoba?

The hon. member says about my leader: why doesn't my leader stand up and fight for the farmers? In 1986 the Premier of this province stood up and fought for the farmers and got a billion dollar deficiency payment, and everybody acknowledges that.

The member opposite said, oh they only did that because of the election and they just give that out because of the election. Well in 1987 there wasn't an election, federal or provincial, and our leader and our Premier went to Ottawa again and demanded a deficiency payment and was successful in getting that deficiency payment. He never stopped there. He also said, pay out the western stabilization program; even though it was broke, go to the treasury and get \$775 million and pay that out as well.

So there are three things fought for by the Premier of Saskatchewan, spearheaded by the Premier of Saskatchewan, \$3 billion worth — \$3 billion worth. Nobody has ever made that commitment before. That's

what my leader has done to help the farmers of Saskatchewan, and we're all very proud of it. And I could go on and name six or seven other programs that he's spearheaded as well.

I ask you: what has your leader done for the farmers of Saskatchewan? I ask you: what has your leader . . . can stand up and say, what has he done for the farmers of Saskatchewan? When he was in government, what did he do? He bought their land from them. He bought their land from them when he was in government. And when he left government, what did he do for the farmers? He acted for the banks and foreclosed them.

Now you are somewhat hypocritical as a party opposite, standing up and saying the Premier of this province has done nothing for the farmers when he's contributed 3 billion, by fighting the feds to get 3 billion, not to mention the billion dollars that we put up as production loan from Saskatchewan. That's \$4 billion. And you say, what has your leader done? At the same time your leader finds a way to foreclose on farmers — foreclose on farmers. And who is he acting for? He's acting for the big, bad banks that you talk about.

Now how hypocritical is that? How hypocritical is that? And if I ask the farmer of Saskatchewan, who would you want to have to stand up for your rights, the Leader of the Opposition or the Premier, I'll tell you where the farmers of Saskatchewan will come down. They'll come down 10 to one on the side of the Premier of this province, for what he has done. And they would come down against the Leader of the Opposition for the same reason, what he has done for the farmers of Saskatchewan.

Mr. Upshall: — Mr. Minister, I've heard that rhetoric before. I'll grant . . . The Premier of this province is the only one that went down to Ottawa to get money back for Saskatchewan. But I'll tell you, that doesn't wash any more, and I find it quite amusing that that's the only line that keeps coming back out of this Tory government, because all of the farmers and everybody in this province knows that there was a need for funds.

And it wasn't the Premier of this province who single-handedly fended off all the other villains and said we shouldn't have it, and brought it here. And it wasn't the Prime Minister of this country who was the only person in Canada who couldn't delivered that. I mean, the need was there, and I find it so amusing that you continue to say, well the Premier of this province is the only one; he went down and got the deficiency payment.

Well I'll tell you his purpose. I thought that maybe at one time that his motivation, like the rest of us, was to keep family farmers out here, but it's not. His motivation was simply to get himself elected — and I don't care what year it was — and that's his sole ambition.

And you talk about the land bank. Well I'll tell you, if I had a dollar for every time somebody said, I wish we had land bank back, I would be a rich man. Because that type of a program, although not perfect, was the type of program that Saskatchewan farmers needed.

What was your answer? The farm purchase program. And

how long did it last? And there's nothing now; you have absolutely nothing in place to assist transfers. What type of government . . . although the rhetoric says, yes, we're right behind you — they're behind you; they're following them off the land. That's the problem. You don't have any programs of land transfer, and the other programs that you have in place are not solving the problem of debt crisis. All you're doing is throwing money at the situation.

And you mentioned the production loan program. Well I'll tell you, Mr. Minister, you don't borrow yourself out of debt, and that's what you attempted to do to the farmers — throw the money at them. Instead of thinking it through carefully and finding out who was in trouble and what the needs were, you bought yourself some more votes.

And that's the problem that the farmers of this province have with this government, is that they sit back and plot and try to buy themselves vote after vote after vote. And I think that is terrible, in my estimation, when your only response to a problem is throwing money at it.

And then when it comes to something like the Farm Land Security Board where you could put some teeth into it and stop foreclosure actions, you sit by and say, well the constitution says we can't do this, I'm sorry.

And what's happening all the time? The numbers are growing out there — 11 per cent insolvent, Farm Credit Corporation says; 28 per cent can't meet their commitments. In fact in a recent report, for every \$4.11 of debt there is in this country, net income for farmers is \$1. That's the magnitude of the problem, and your solutions fall very, very short of even coming close to rectifying that.

The Farm Land Security Board is a program that has spent many, many dollars over the last few years. And I'm saying to you, the cost of the program for the benefit that we're getting out of it is not functional because we're not getting the numbers of farmers helped, we're not getting the results we need. You haven't addressed the other side of the problem; you've just thrown money at it, and that's the problem.

I've seen the Premier of this province operate since 1982, and he's come and he's built this little vision in the minds of the farmers that I'm the boy that can lead you there, out of this problem, out of the debt.

Where is he leading them? He's leading them off the farm. That's the problem this government has, and the farmers. I'll tell you, out there, the farmers that I've talked to and call me are saying, you know, at one time I believed him, but not any more; he can't be trusted. Because when you list on one side the rhetoric, and I give the Premier of this province full credit, if I sat down and was from Mars I would probably agree with him. But nobody in Saskatchewan does, or very few do now, because although he can talk nice and present the case, if you list the facts on the other side of what he's done and the accomplishments, the accomplishments that he has delivered for the farmers, she's a pretty short list.

Like I say, the numbers are going up; the debt situation is going up. Farm land in the United States, while the value

of the land dropped by some 50 per cent, the value of the debt problem dropped about 20 or 25 per cent. In Canada, the value of the farm land has come down, and the debt has gone up because the government haven't had any programs in place to stop that action. Yet you continue to try to tell the farmers of this province that, yes, we're right behind you boys.

When they line up their little plus and minus sheet on the rhetoric and on the action — or inaction — I'll tell you, they will know where this Premier is leading this province. He's leading them off the land, and that has to stop. In every program that I can mention, it's designed for large corporate operations; you're cutting back on family farm for your programs, and you're increasing assistance for large corporations.

I say to you, Mr. Minister, that the Farm Land Security Board is not doing the job that I believe it was set out to do, because it was set out to try to help farmers stay on this land, and it's not doing that to any successful degree, and the problem continues to grow.

So I ask you again: will you consult with your Tory buddies in Ottawa to try to present a solution in the form of a Farm Land Security Board that will have some teeth to stop some of the foreclosures instead of giving us your rhetoric and say . . . abdicate your responsibilities, and say we can't do anything about it?

Hon. Mr. Andrew: — Well the hon. member says that there is nothing being done. If you were to go out into the province of Saskatchewan today, you would find that a majority of farmers, when they're preparing their tax return at this time of year, they would find that almost half of their income, almost half of their income, is coming from government support programs — half of their income. Whenever before would you see a situation like that? Half their income from the market, half their income coming from the support programs of government. When has government ever stood in for that type of support to the province of Saskatchewan, the farmers of the province of Saskatchewan?

The hon. member says that he was against — it was a poor program, the production loan, a 6 per cent production loan program.

An Hon. Member: — That's right. It was indeed.

Hon. Mr. Andrew: — The member from Regina Centre says it is a bad program. Why is it, when the program was brought in, the members opposite supported it? Such a bad program, why did you support it?

An Hon. Member: — We didn't.

Hon. Mr. Andrew: — No you did, and go back to the *Votes and Proceedings* and you'll see you voted for it, and you spoke for it. Now the hon. member from Humboldt was not here at the time, but the member from Regina Centre was. And the member from Regina Centre stood in his place and voted yes to that particular motion . . . that particular Bill.

And I would ask the member to go back and look at the

Votes and Proceeding because he clearly did. So I mean, the record is what the record is. Now, so now they don't like it. It was okay before, but now they don't like it.

And then the member from Humboldt is now saying what he advocates — this is the clearest I've heard him say this — what he advocates is a return to the land bank. That's what I hear them saying out there, we want the land bank back.

Well we don't believe that government should own the land and dictate who is going to be the leasee of the land. That program hurts you . . . hurts your party in rural Saskatchewan like nothing else has ever hurt your party in rural Saskatchewan. And many in your party acknowledge that, but I'm interested now to hear the NDP solution to the farm problem out there is: bring the land bank back.

Well you can advocate that. I don't agree with that. We can argue that for the next six years if you like, and I don't think there will ever be a time when the members of this side of the House support the land bank concept of doing this. And I suspect that for some time to come the NDP will in fact endorse the land bank as the solution to the farm debt problem.

(1600)

Mr. Upshall: — Mr. Minister, I didn't appreciate you putting words in my mouth, but I'll repeat what I said. I said the principle of land bank was a good principle and a lot of farmers out there are asking that that principle be returned.

Not just because it's a good principle. I mean, I agree that land bank had problems, and you're not a Houdini to figure out that that was true. Yes. But I'll tell you, the farmers now say, we have land bank, and now we have bank land. And they're saying, the principle of land bank was a good principle — fix it.

But this government has nothing. They have no program. And I've been out in this country, and I'm sure many of the people out there have walked around, and they say, the farmers are saying, look, we have to have some type of intergenerational transfer, because all we're doing is remortgaging this land every generation. And then I'll say to them, well who's remortgaging for you this time? Is the government giving you any assistance? And the odd one will say, well I had the farm land . . . or farm purchase program, but it's gone. And anybody retiring now, and the age of farmers is getting higher, anybody retiring now can't transfer their land to anyone if they need assistance to buy, because there's no program in place.

And you can talk about land bank and try to do your politics on the land bank, but I'll tell you, Mr. Minister, it won't work because I know what the country is saying out there, and they're saying this Tory government has no program to transfer land.

An Hon. Member: — Doesn't want it — to solve the problem.

Mr. Upshall: — And that's exactly right. The problem is

they don't want a program, because the Tory vision of Saskatchewan is to reduce the number of farmers, to reduce the number of towns, and to reduce the population. And that way they're going to reshuffle the boundaries to make a few small constituencies in rural Saskatchewan to make sure that they try to maintain their base. Well I'll tell you, Mr. Minister, that won't work. That won't work.

The Premier of this province has a chance, an opportunity now to do something. He's had it all along, but especially now, because the need is there in rural Saskatchewan to have people stay on the farms. The stress is there. The family crisis is there. The debt crisis is there, and we're losing these people. And you and your colleagues and the Premier of this province have a chance to do things like make the Farm Land Security Board an operable mechanism to keep farmers on the land, and right now it's not.

And the figures justify that. A costly program that's not doing the job, so you and your colleagues over there are abdicating responsibility. You're throwing up your hands and you're saying, I don't know what to do. And yet when we sit here and say, why don't you give the Farm Land Security Board some teeth, you use a feeble excuse like, well, we can't do that; it's unconstitutional.

Well I say to you, Mr. Minister, that's about the extent of your commitment to rural Saskatchewan and the farmers of this province. It's non-existent. You've thrown up your hands and the Premier has thrown up his hands, because I think you don't have any ideas.

Hon. Mr. Andrew: — Well I've gone through this, and I'm going over it again now for about the sixth time, Mr. Chairman.

I've told you what we have done. Over 50 per cent of the average farmer's income now comes from government. The member stands up and says, do something. He has yet to stand up and offer any alternative — not one, not so much as one, other than the land bank. He offers that. That's the only thing he's stood up.

We have made the overtures to the federal government. The federal government has come through with a fair degree of money. The problem has not gone away yet. There still has to be some more work done on that, and clearly that's what we will be doing. And the member opposite stands up and hollers a lot, but he simply offers nothing more than land bank.

Mr. Shillington: — Thank you, Mr. Chairman. Mr. Minister, I want to turn to a different subject — we may return to this one — but I want to turn to a different subject, and that is the Human Rights Commission.

Last year you cut the funding . . . cut the staff by 25 per cent, the funding by a similar but slightly different figure. Mr. Minister, I want to read for you, and for those other members who are taking part in this and listening, some comments from the Saskatchewan Human Rights Commission annual report. They say on page 4:

The Saskatchewan Human Rights Commission

had a total of 521 complaint files under investigation in 1987, an increase of 43 per cent over the number of files investigated in 1986.

Mr. Minister, their work-load went up by 43 per cent; their staff went down by 25 per cent. The case makes itself, Mr. Minister. I will read you one other sentence from the annual report. On page 1:

One of the major concerns in 1987 was the effect substantial budget cuts would have on the work of the Commission.

Mr. Minister, yours is a government which has shown itself ready on any occasion to not only violate human rights but to treat minorities and to attempt to ingratiate yourself with people who don't like minorities. You've done that with any number of groups.

Mr. Minister, this is part of the same problem. Your failure to provide anywhere near adequate funding for the Human Rights Commission is a display of the same attitude which the French-speaking community has encountered and any number of the minorities have encountered over the years that you people have been in office.

Mr. Minister, in the name of all that is fair and decent, I would suggest to this government that you ought to bring back the level of staffing at least to what it was. With a 43 per cent increase in the work-load, indeed it should have an increase in staff. It's no wonder the Human Rights Commission is unable to process its claims. It's no wonder that not only the public but the commission themselves are complaining, as the commission did take the occasion to complain in your annual report.

Mr. Minister, I think it's fair to say I don't know of another occasion, when a minister . . . I think . . . Yes, indeed, Mr. Minister, you tabled this. It's given by the chief commissioner to yourself. I don't know of another occasion in which the annual report contains a complaint about inadequate funding.

Tell me, Mr. Minister, when you tabled this, did you do so with the . . . did you approve of the comment herein that one of major concerns in 1987 was the effect substantial budget cuts would have on the work of the commission if you approved that — and I assume you must have, or you wouldn't have filed the report — do you intend to do anything about it, Mr. Minister?

Hon. Mr. Andrew: — The hon. member is aware, fully aware I think, is that when this report is prepared by the Human Rights Commission, the Human Rights Commission sends it over to my office and I table it in the Assembly. It's not up to me to say whether I agree with it when I file this. I file it because the law says I'm supposed to file it, and that's exactly what I did.

With regards to funding of the Human Rights Commission, let's look at the situation in the three prairie provinces. On a per capita basis Alberta spends about 50 cents per capita on their Human Rights Commission. The province of Manitoba spends 86 cents per capita; we spend 85 cents per capita — so almost the same as

Manitoba. On a per capita basis Alberta spends substantially less.

So if you look at it from an overview on a per capita basis, and because our populations are roughly the same size, what we're spending on the Human Rights Commission is no different than what is being spent in the province of Manitoba on the Human Rights Commission. Now that is a fact.

So the member opposite says, well we in the NDP believe that we should spend twice as much on the Human Rights Commission, but that's not what we see where there's an NDP government in place. They spend exactly the same as we do.

Last year there was some reduction in funding to the Human Rights Commission. Nobody denies that. This year there's no reduction in funding; they're getting the same as they got last year. I'm advised that there was . . . I'm advised that, contrary to what the hon. member says, there was in fact no staff cuts last year in the Human Rights Commission, no staff cuts. He says 25 per cent, and that's wrong.

With regard to minorities, we can get into the question of minorities as well. If we in fact take a position with regard to the French language issue in this case, and that's the one the hon. member referred to, then he comes out and says, well you're against all minorities because you're against that particular minority. Well I think that issue has to stand or not stand on its own two feet, and that's something that will be debated in the days to come in this Assembly, and I think there are varying views with regards to that.

I think it's not fair to say, though, to the hon. member, that just because you take a particular position and stand on a particular position, that you're against this particular group as opposed to the members opposite, or say they always support that group or the next group or the next group.

You also have to be aware of just because someone takes a position, which we have a right to do in a democratic process, does not say that you are against minorities, and certainly when you lump minorities into an entire group. So I don't think that's particularly fair.

With regard to the Human Rights Commission, I don't think the Human Rights Commission has a whole lot to do with the French language question, although I stand to be corrected, but I don't think that falls within the parameters of the Human Rights Commission.

Mr. Shillington: — Mr. Minister, I know you people strenuously avoid the facts. I said the staff was cut by 25 per cent last year. I refer you to the '87-88 estimates. In the year previous to that there were 20.4 person-years voted; last year there was 15.4. That is a 25 per cent decrease in funding for staff, Mr. Minister. I think I can fairly leave your record on human rights to speak for itself. It'll do so quite eloquently.

Mr. Minister, I want to refer to the question of judicial appointments. The quality of judicial appointments

which this government has made have been, even for this country which does not have a — people in this country, in Canada as a whole, have got kind of hardened to an appointment system which doesn't do the justice system much credit. But yours, the appointments of this government, Mr. Minister, have been particularly bad.

I refer, Mr. Minister, to the former minister of Justice, member from Lumsden, Qu'Appelle-Lumsden, who appointed his executive assistant as a chief justice. Mr. Minister, I think I'm correct in referring to you, who appointed a — virtually a sitting MLA, in fact he was a sitting MLA; he may have resigned very briefly before the appointment, but you appointed an MLA to the position of judge.

Mr. Minister, I refresh your memory that the Canadian Bar Association has passed a resolution, not long before the appointment of Mr. Young — Kim Young was the member who was appointed — not long before his appointment the Canadian Bar Association passed a resolution urging governments not to appoint anyone, not to appoint any retired politicians for at least two years after their retirement. You violated that resolution, Mr. Minister, and your appointments of this government have violated even our sense of fair play, and our sense of fair play is not very refined.

Mr. Minister, I note that the Government of Canada is finally turning over a new leaf. They have set up an advisory board. It may be stretching a point to call it a new leaf, but it may be an improvement. I wonder, Mr. Minister, if this government has ever given any consideration to an advisory board or a judicial council who make recommendations.

(1615)

I'm aware, Mr. Minister, there is in place some recommendations which are now made by the advisory council. The difficulty with your system is it isn't public. I've no way of knowing who was recommended for those appointments. I have no way of knowing whether Kim Young was one of them. The system is wholly and completely inadequate unless it's done in public. I say to you, Mr. Minister, that . . . I understand the change which the federal government has made is the judicial advisory group will make its deliberations public.

So I say, Mr. Minister . . . That's right, a member from Lloydminster says, I'll never make it. That's precisely what I plan on, because Mr. Young was appointed because he was afraid to go to the electorate. I've not been afraid to go to the electorate and take my chances on re-election; I don't expect to for some time. So you're right, I'm never going to make that because it's often a badge of something less than brilliant success in the political world.

Mr. Minister, I wonder if your government has given any consideration to cleaning up the mess we have with respect to judicial appointments in Saskatchewan and elsewhere. You didn't create the problem, to be fair; it's been around for a long time, but I think your government's exercise of this power has been particularly ripe. And it's particularly important in this province that

we clean up this problem so that the system of justice will enjoy the respect that it deserves.

Hon. Mr. Andrew: — Well first of all, to the hon. member, that Mr. Young was appointed to the bench prior to the election of '86 — and I became Minister of Justice after the election in 1986 — I would correct him that I was not involved with that particular appointment.

With regards to the present situation, there is a judicial council in this province, and all people that are being appointed go through the judicial council, and they approve or not approve with regard to any appointment. And I think, to a degree, the nature of confidentiality. I think, and ever, the hon. member would recognize that there's some need for that.

With regards to the question: should there be a situation where politicians are excluded from being appointed to the bench. I happen to have the following view. You tend to fall into two categories: one, is that politicians are not qualified to go to the bench. And we have many politicians in Saskatchewan, and we have many politicians across the country who have gone to the bench, and I think, you know, perhaps some of them made reasonably good judges, perhaps some of them not so good. And I would guess that the politicians that have gone to the bench . . . I would suggest that the politicians that have gone to the bench have done as a good job as ones that were non-politicians.

Now you go to the other extreme which I would see as a danger, and that is if we get too carried away with the idea that the appointment of judges should be not going to the politician, you end up perhaps with a situation where too many of the judges are appointed by the law society, the Canadian Bar Association, that type of thing. And you have an equal criticism that that tends to be the old boys' club that sometimes gets into that. That's number one.

Number two, I think, with the charter, my sense is that maybe the politician having served his job as a politician going to the bench, becoming a judge at that point in time, and I think the hon. member would agree with me that the ex-politician going to the bench distances himself from politics. And I think you would agree with that. I think that perhaps they bring a dimension to the bench, particularly in some charter cases that is worthwhile bringing, and not simply the very narrow legalistic view that perhaps the strong legal mind might bring, and that being his strength. So I think there's arguments both sides.

Clearly, the federal government appear to have moved in a different direction. Now let's wait and see. Let's see that stand the test of time over the next 10 years before I pass judgement with regard to what's happening there. I've heard those type of suggestions before.

Mr. Shillington: — I do not accept the minister's comment that there's any need for confidentiality. There are two models to be used: one is the British model with the judicial council, which operates in public; the other is the American model which has a committee of their legislature, the House of Representatives, to be precise, which approves federal appointments, and that is certainly a public process.

Both of those, in my opinion, are vastly preferable to our system which is based on raw patronage. A minister can talk all he wants about bringing another dimension. The truth of the matter is, Mr. Minister, one of the reasons why the Canadian Bar Association suggested a two-year cooling off period is because if they go back to private practice for a couple of years, the pressure to appoint them will disappear and they'll have to get approved on their own merits.

And that's precisely what lies behind the resolution, is after two years their qualifications and the enormous breadth of mind which is acquired in these partisan debates will have to stand on its own without any pressure from the political system.

I disagree, Mr. Minister, that politicians necessarily make good judges. I don't think that's true at all. I think there are some special qualities which it takes to pursue this profession, and I think they're very different than the qualities which make up a good judge.

Mr. Minister, I want to deal with Principal Trust. This issue came up last year at this time, Mr. Minister, was a ripe enough issue last year, but this year it's an awful lot worse.

What we didn't know last year, Mr. Minister, was that the activities of the Cormie family, if they aren't illegal, certainly border on it. It's apparent now that large sums of money have been siphoned off through fair means or foul, and has found a way into the hands of the Cormie family. It's also apparent the practices of the employees of Principal Trust are even worse than what we alleged last year in the Assembly.

Mr. Minister, last year you were asked if the RCMP was doing an investigation. They volunteered, in fact, that they were. I wonder, Mr. Minister, if you're now in a position to report to this Assembly on what that RCMP investigation showed.

Hon. Mr. Andrew: — I'm advised that the RCMP investigation in Saskatchewan has been an ongoing investigation. They are now working in conjunction with the RCMP in Alberta, and that investigation is still ongoing, and whether or not there will be . . . what will come out of that, I do not know. One, I'm not at liberty to say. And for the hon. member, I think in fairness, if the investigation is ongoing and the inquiry is ongoing, it's somewhat difficult for me to (a) ask the RCMP for what you have; and then (b) to make it public would be somewhat improper.

Mr. Tchorzewski: — Thank you, Mr. Chairman. I just have some brief questions for the minister. Mr. Minister, on Friday my colleague, the member for Regina Centre, asked you some questions about the operations of the land titles office and pointed out that in the fiscal year '86-87, although the work-load had increased by 10 per cent, the staff complement had decreased by 3 per cent, and that there now are delays that really are quite unacceptable, not only for the legal community but, I think, people who need this information for transactions that they are undertaking. Often those delays end up

costing them considerable amounts of money, and I don't think you would disagree with that. You indicated on Friday that there will be more staff being put into place to deal with that. If that's wrong, please correct me, but I understood that to be the case.

Now I guess this goes back to the whole concept of people paying taxes and the services they get for those taxes. And I think the public generally understands that if you pay taxes, you can have services; if you don't pay taxes, you don't have services. Nobody would argue about that, but they would argue about whether the tax load is fair and whether the services are adequate.

Now the other area that was raised briefly on Friday was the whole question of maintenance enforcement. And I just simply make the land titles office comment because it's only one example of a number of examples in your department and throughout the government where the system is overloaded and you have made no efforts to deal with that problem.

As a matter of fact, the efforts have been the other way, as has been pointed out by the Human Rights Commission funding, which my colleague just mentioned a few moments ago. But I have had cases of people who have come to me who have indicated that they have applied for maintenance enforcement and have had to wait many, many months in order to get even their application considered. I have one particular individual, I won't mention names, who had to wait for over five months. My colleague indicated on Friday that some people are waiting 18 months. Now having waited for those five months, that individual then found that the former spouse had moved to Alberta. So the whole process has to start all over again, and it may take another five months or eight months or nine months, or whatever it is, creating all kinds of severe problems and difficulties which really are unnecessary if the administration of the program was adequately carried out.

I know that several months ago, and I forget how long it is, there was . . . well, in November there had been 3,200 applications under the maintenance enforcement program; in March there were 4,000 which had been received by the maintenance enforcement program, and many of these people are waiting for extended periods of time and undergoing severe financial difficulties in the meantime. The support that is supposed to be there for the children, or whatever the situation, is not coming through. And your department — no fault of the staff who, I know, are overloaded to the point where I know they just can't handle this, because they've been very co-operative and helpful to me in my questions — they just can't handle it.

Now you said on Friday in your question that you have doubled the amount of money. Thank God for that! Finally somebody has recognized that there is a problem.

I can ask you, Mr. Minister, two questions to start this series of questions off: one, what is the present backlog; and two, can you identify where that additional amount of money that you've put into your budget is going to be spent, for what purpose? And therefore I ask it, because I want to know whether it'll solve the problem.

Hon. Mr. Andrew: — The total applications received to date, as of March 31, 4,359; applications registered and assigned to date, 3,688. So there is . . . what would that be? — 600, 6,700 still to be assigned.

With regards to the numbers in the budget, which is the second question you asked, it would be: additional money would go primarily to staff, and will be increased from 12 PYs, or person-years, to 22 person-years. So the bulk of the increase is going to people, recognizing the problem that you set out.

Mr. Tchorzewski: — Thank you. I appreciate that direct answer to that. Can you then tell me, Mr. Minister, what does your administration then anticipate will be the turn around when people make an application, under this new staff contingent?

Hon. Mr. Andrew: — It is the view of the department, with these new staff positions, following their training, that we should be able to bring it current. That's the target that we're shooting for.

Mr. Tchorzewski: — That's laudable. Now can you tell this House, Mr. Minister, when it is the intention of your department, yourself, to put these staff into place? Is this something that's going to happen as a priority basis, or are you going to wait till the 11th month of the year so that you don't have to spend most of this additional money which you have put in. And I don't say that facetiously; I'm really wanting to know. When is it the intent to begin to recruit and put this staff into place so they can deal with this cruel problem?

(1630)

Hon. Mr. Andrew: — The ads are out now, I'm advised, and there are hope that we'd be able to fill all the positions by June 15.

Mr. Tchorzewski: — Thank you. I think we're making great progress here.

Mr. Minister, there has been talk last year, and there is still talk going around in some circles this year, that the government had considered putting the public trustee's office as one of the programs in your scheme for privatization, and I know you said last year that that was not going to happen. I'm asking you, has that decision of the government changed, or is now there being another consideration of privatizing the public trustee's office?

Hon. Mr. Andrew: — As I indicated last year, we put that out to tender, and the tenders that we received were (a) more expensive, and (b) did not provide the service as adequate as we were doing it now. We closed the door and then the door stays closed.

Mr. Tchorzewski: — Thank you. I appreciate that. I have one more question, and it's a long-standing issue which I am somewhat confident has been dealt with, but nobody has ever confirmed it, and I have not had the occasion or the need to go to visit the court-house in Regina.

I had correspondence with yourself and with, I believe,

even the former minister of Justice, about handicap access to the court-house, and it had been indicated to me that work was in progress to make sure that there was a handicap access. Can you give us a report of the status of that?

Hon. Mr. Andrew: — I'm advised that both in the main court-house and the provincial court there are handicap ramps available, and both are in use now.

Mr. Tchorzewski: — Mr. Minister, what do you mean by available? Are they in place; have they been constructed; are they easily accessible; or are they in some back corner of a parking lot?

Hon. Mr. Andrew: — I'm advised that there's a ramp at the provincial court building, and at the court-house on Victoria there is an access through the west entrance. And also people have been advised that if that's not appropriate they can use the judges' entrance and use the elevator system that is there. Apparently no requests have been made yet to use it, but that certainly would be available for handicapped people should they want to use that.

Mr. Goodale: — Thank you, Mr. Chairman. I have four or five questions to raise with the minister. Some of them are supplementary to matters that have already been raised this afternoon.

Mr. Minister, first of all, with respect to the Principal Trust matter which you have discussed at least in part this afternoon, a year ago in your estimates when we were discussing this issue, the point was raised that the province of Alberta, on the matter of compensation, seemed to be taking a position which was remarkably different from the position taken by the province of Saskatchewan in the previous Pioneer Trust matter, in that Saskatchewan, in the case of Pioneer, chose to offer compensation to those who had been victimized in those circumstances, to all of the victims, whether they were in Saskatchewan or not. And it was out understanding last year that the province of Alberta was taking a much more restrictive attitude in the case of Principal, and was considering compensation only to residents of the province of Alberta.

I believe in our exchange a year ago, Mr. Minister, you indicated that you found that attitude on the part of the Government of Alberta to be inappropriate, and I wonder what further discussion has transpired in the last six or eight months between the Government of Saskatchewan and the Government of Alberta on this issue of compensation extending beyond the physical boundaries of the province of Alberta.

Is the Saskatchewan government still pursuing that issue? And if you are, have you made any progress in indicating to the Government of Alberta that their responsibilities in this matter do not just begin and end with the four corners of their provincial boundary?

Hon. Mr. Andrew: — I don't wish to beg off the answer to this question, but that file is being handled by the Minister of Finance, and that issue is being dealt with by the Department of Finance. And so, while I don't wish to

avoid the question, I think it's more appropriate that you pose that in estimates of the Department of Finance.

I would only make one . . . One observation is that we should not confuse the covering of deposits not covered by the deposit insurance, and an investment certificate. So there's a difference between those two. With regard to what is an ongoing thing, though, that is being handled by Finance, and I am not qualified, nor is the Department of Justice qualified, to comment on it.

Mr. Goodale: — Would the Department of Justice be involved in any way, Mr. Minister, on the issue of whether or not the Government of Alberta might be legally obliged to extend their compensation package should they have one? I wonder if you and your officials have examined that question.

Should Alberta be in a position at some future date of providing or having to provide some form of compensation in the wake of the failure of the Principal Group, would there be any grounds upon which the Government of Saskatchewan, as a legal matter, could pursue this point with the Government of Alberta?

Hon. Mr. Andrew: — Well I suspect that . . . Let me try to respond to that question this way: is that first of all, there is an inquiry presently going on in Alberta, and it's a very in-depth inquiry, as we all know from reading the papers.

My guess is that the inquiry is likely to come down with a series of recommendations, and if there's fault found in the way Principal Trust was handled by Principal Trust or by anybody else, my suspicion is that there is going to be recommendations by that commission, or that board of inquiry, and I would tend to want to wait until that point in time with regards to that.

Clearly the second part is that there are a number of investors represented by counsel who, I think, have taken the view, if I'm correct, that they would wish to commence action, but at this point in time are going to handle it through the inquiry route before they opt to go to the further court route. So I would not want to say anything that could be interpreted by the court, and would be so instructed not to.

Mr. Goodale: — Fine, Mr. Minister, I'll leave it at that point for today. But I do gather from your answers that you and your officials are pursuing, if I can put it this way, an active watching brief on this situation. And I trust the people of Saskatchewan can be protected in, at least in some measure as a result of that.

I'd like to turn to another subject, Mr. Minister. It has to do with one of the programs or services which were cut last year in the budget exercise of 1987, and that refers to the, what used to be the native court worker program in Saskatchewan. I wonder if you or your officials have conducted any system of monitoring, in the last eight or nine months since those cuts were imposed, to determine the impact of those cuts upon the justice system, and to specifically address the question of whether native peoples, who previously had access to this kind of service, are now, in the absence of that service, finding themselves prejudiced before the courts because the

advice that used to be available is no longer as readily available as it was while this program was in existence?

Hon. Mr. Andrew: — I suppose the easy response is that, having cut that program last year, there has been no formal review by the department one year hence. The native justice committee of the department is looking at ways to deal with the larger problem of natives in the justice system. That review is under way now and has not yet reported to me. I would anticipate that in sometime into the future, but the direct answer to your question is: have we done a formal review as to what happened, we have not.

Mr. Goodale: — Mr. Minister, would you or your officials feel at this point in time that that kind of a formal review would be appropriate bearing in mind the potential impact that that particular cut of the native court worker program might have upon a particular segment of our population in Saskatchewan? Would it not be both wise and appropriate for your officials to keep a very close eye on that situation, because I'm sure neither you nor I nor anyone else would want to see a particular segment of our population being unfairly prejudiced by the removal of that program.

Hon. Mr. Andrew: — I think it would be fair to say that the department made a fairly in depth review of this before we took the decision, recommended that, and the review that is being undertaken now, I think, while will deal maybe with some of the similar problems, I think is looking to find perhaps other programs or other solutions perhaps to that problem as opposed to reinstating the one that was dropped.

Mr. Goodale: — Will the results of that review, Mr. Minister, be made available in the legislature, and when would you anticipate being in a position to report to the legislature on the status of that review, and under the review the one precise question of whether there is now a vacuum in our system in the absence of the native court workers.

Hon. Mr. Andrew: — Well, the review is an internal review not unlike internal investigations being done in any department. The normal processes that would have come up through the department recommendation would come to the minister. The minister would either approve it or reject it and send it back, and if it was to be approved it would then go on to the cabinet process and become policy. So it's not an internal review that's likely to make a public statement on what it's proposing. It's internal to government and I think it would normally stay that way.

Mr. Goodale: — Mr. Minister, could you give us your undertaking that at some point before this particular session of the legislature rises, that you would take the opportunity in the House, perhaps in the form of a ministerial statement, to provide a report to members of the House and to the public of Saskatchewan on the consequences of the abolition of that particular program, and also on the details of what you're doing within the department or otherwise to fill the vacuum that might have been created.

Hon. Mr. Andrew: — Well I can undertake to the hon. member that I will look at perhaps a response that we might have. Whether I can have that ready for the end of this session, I don't know. Number one, will it take the form of a ministerial statement? One always has to get approval from the House Leader before he can make any ministerial statement, and whether he would approve this or not. I can undertake to the member though is this, is that we are looking at options and hopefully we can have those options brought forward as soon as possible and hopefully maybe we can make a response before this session rises.

(1645)

Mr. Goodale: — Well I thank the minister for that information. I'll move on to a couple of other matters, Mr. Minister, in the field of agriculture which is a subject that was discussed earlier today in the estimates.

In your estimates last year and in the report on farm financing that was just tabled in the House on Friday, reference was made to the consolidation of debtor/creditor legislation as it affects the farming community in particular. And I recall in the questioning last year that you indicated your department was reviewing that question and had in mind coming forward with perhaps some form of omnibus legislation that would draw together the various statutes of Saskatchewan that might affect the debtor/creditor situation in rural Saskatchewan affecting farmers.

Now that we're eight or nine months down the road, I wonder if you could indicate at this point in time how that process is going internally within your department and, specifically, how many statutes are involved in this review.

It may be a bit of a cumbersome list to try to just run through in the House, but I would appreciate it, either today or in a few days, if you could provide me with a list of the actual statutes of Saskatchewan and any other legislative instruments, regulations or whatever, that may be involved in this review. Just exactly what is the total picture here of what's involved in terms of the consolidation of this legislation?

Hon. Mr. Andrew: — There are, as I'm advised, seven major statutes that would be involved in this, that we have spent a great deal of time working on this particular question. One would hope to have a response fairly soon, but it is . . . Let me put it this way: it's a lot trickier than one thought when we first undertook it.

Each of those Acts has their own little aspects of it, that if one does not want to create fewer hurdles, if you like, or assistance to farmers, and by consolidating that you must maintain at least what you have now, and perhaps strengthen it and clarify it, but not make it easier to foreclose. And that's the trick of it, and that's the issue that we're working on right now.

Mr. Goodale: — Mr. Minister, could you indicate to me, how many people in your department are involved in this process? Do you have a specific designated working group on the issue of legislation related to farm financial

situations, or is it more informal and *ad hoc* than that? And how long, specifically, have they been tackling this particular issue? And when do you think you would be in a position to present legislation in the House? Do you, for example, anticipate it would be definitely before the end of this session?

Hon. Mr. Andrew: — There has been about five or six spending a goodly part of their time on this issue for the last six, seven months, reviewing various other jurisdictions, trying to get a handle on the legalities of one to the other.

It is our intention to bring this forward to cabinet in a fairly timely manner. It would be our hope to be forward with that in the . . . very soon, certainly this session.

Mr. Goodale: — Mr. Minister, on one specific point that I raised with you last year, it has to do with The Exemptions Act and whether The Exemptions Act binds Crown lending agencies such as the Agricultural Credit Corporation of Saskatchewan. We, of course, had a court decision in Saskatchewan last year that indicated that the ACS (Agricultural Credit Corporation of Saskatchewan) was not, in fact, bound by The Exemptions Act, which presented at least some potential difficulties for farmers facing tough financial circumstances.

Could you tell me today if The Exemptions Act is specifically one of those statutes that's involved in this review, and are you contemplating rendering Crown lending agencies in Saskatchewan, like the ACS, subject to The Exemptions Act just as all private sector lenders are bound by that Act.

Hon. Mr. Andrew: — The Exemptions Act is one of the Bills that is being . . . or one of the pieces of legislation or statutes that is being reviewed. The issue that you raise is clearly an issue that's being dealt with.

Mr. Goodale: — Mr. Minister, I'm sure you appreciate how anxious at least some farmers would be to see what the form of your legislative package would be.

Just to close on this subject, could I ask if you have in mind in the work that you are doing, a simple consolidation, and as you've pointed out, in this field nothing is particularly simple, but in terms of drawing all of this legislation together, is it your intention simply to draw it all together in some legislative package where it's all to be found in one place, or do you have in mind, in the course of this review, going beyond just a consolidation to, in effect, to change the law in some way? Would you anticipate there would be substantive legal implications flowing from this work, or is it merely a consolidation?

Hon. Mr. Andrew: — Suffice it to say, it's more than a consolidation.

Item 1 agreed to.

Items 2 to 4 inclusive agreed to.

Item 5

Mr. Shillington: — Mr. Minister, something curious here.

This, I understand, this subvote I understand to be entirely salaries, nothing else here, no pens, no pencils, erasers, telephones, floor space, or anything else. I understand this is all salaries.

The number of judges is going up by 2 per cent, but the vote is going up by 8 per cent. Is it therefore to be assumed that there is an increase in salary for the provincial court judges built into this?

Hon. Mr. Andrew: — That reflects the number of judges that are going to be there; it does not reflect any salary increase.

Mr. Shillington: — The figures don't quite add up. There's, as I say, an increase of 2 per cent in the number of judges, one, but the total vote goes up by 8 per cent. Why does the amount of the money go up by 8 per cent and the numbers go up by 2?

Hon. Mr. Andrew: — Last year there were some vacancies for a period of time, and that's what explains the difference.

Item 5 agreed to.

Items 6 and 7 agreed to.

Item 8

Mr. Shillington: — Mr. Minister, there's an enormous increase in this vote, a 36 per cent increase for police services. I wonder if you'd give us an explanation of why police services — and I'm not suggesting that this is not a worthy recipient — police services go up so much?

I would suggest to you that if you spent a little more money on preventative work, if you were a little more careful in stripping the non-government agencies of the resources, some of these ferocious increases in policing costs wouldn't be necessary. But having made that point, I'd ask you, Mr. Minister, why the 36 per cent increase in this subvote?

Hon. Mr. Andrew: — I'm advised the explanation of the additional cost is for forms that were not used before, that's \$22,000; and \$20,000 for a person who was improperly recorded last year as being in the wrong space, or something.

Item 8 agreed to.

Items 9 to 13 inclusive agreed to.

Item 14

Mr. Shillington: — Mr. Minister, this again has gone up by 31 per cent. Do I take it you lost somebody else here and have . . . the real gravamen of the question is: have you found whoever you lost in this area?

An Hon. Member: — What's the issue here?

Mr. Shillington: — Well I just wanted an explanation for the increase. Is it . . . There is 14 . . . The funding last year was at 525,000. This year goes up to 687,000. That's a 31

per cent increase, once again, with a 25 per cent increase in staff.

Hon. Mr. Andrew: — That's in the police commission. Almost all of that increase is for additional training under The Police Act, catching up with some training that was not done before or had to be caught up on.

Mr. Shillington: — Is there any intention to review The Police Act. I have received submissions from individual police officers and from the Federation of Peace Officers urging that this Act be reviewed.

Hon. Mr. Andrew: — It's being reviewed now. It's being reviewed now. It's under review now.

Mr. Shillington: — What is the minister's timetable with respect to completing the review and introducing the legislation?

Hon. Mr. Andrew: — Probably legislation next session, not this session.

Item 14 agreed to.

Items 15 and 16 agreed to.

Item 17

Mr. Shillington: — I'll choose subvote 17 as representative of all of these subvotes. I really, again, urge the minister and the government to adequately staff our corrections. Mr. Minister, your . . . and I dealt with this Friday before 1 o'clock. I won't repeat what I said. Suffice it to say, Mr. Minister, that you are exposing the staff of the corrections to considerable danger.

After having made the comments Friday, and this is why I raise it again, after having made the comments Friday, those comments inspired some contact with the staff who were not, I think, breaching any legal or moral responsibility, but did tell me that not only are the prisons and corrections understaffed, but it goes to the point where they feel their lives are in danger.

Mr. Minister, I said on Friday that there is some increase here, but nowhere near enough to make up for the increase in the population. The prison population has gone up by 30 per cent. This will amount to about a 13 per cent increase in staff. It isn't enough, and I plead on behalf of the correction staff who have to face this directly, I plead for a considerable increase in funding and some additional resources.

Mr. Goodale: — Mr. Speaker, Mr. Chairman, directly on Vote 17, related to Pine Grove, in Prince Albert, the minister may recall last year a considerable concern being expressed by a number of people and the general public, and I think especially of the Elizabeth Fry organization, about facilities and services at Pine Grove being substantially less than facilities and services available with respect to male prisoners. And I wonder in the very small increase that's involved in the budget this year for Pine Grove compared to last year, I wonder if the minister can report any progress at all in dealing with the issues that were raised in 1987 about that particular

institution, in effect, being put in a discriminatory position in relation to female prisoners compared to male prisoners?

Hon. Mr. Andrew: — Two observations. The increased money is designed at Pine Grove to increase training and education, as well as our intention to build a half-way house for female offenders this year.

Item 17 agreed to.

Items 18 to 13 inclusive agreed to.

Item 25

Mr. Shillington: — Mr. Minister, on this subvote, you've reduced spending, you've reduced the staff and the spending by a very considerable degree. I'm surprised. This board has been in existence for a couple of decades at least, and its work has not changed in those two decades.

I wonder, Mr. Minister, why is that now their work has decreased by 30 per cent? I mean you cut the staff by 30 per cent.

(1700)

Hon. Mr. Andrew: — I think what happened, if you go back a year, you'll find that there was a significant increase to that last year. This reflects one person fewer that is needed in that department this year, that they're getting by without that one person.

Item 25 agreed to.

Items 26 to 33 inclusive agreed to.

Item 34

Mr. Shillington: — Mr. Minister, there's quite a significant increase in funding here. Is this all increases and awards? I'm just curious as to how the funding goes up from 334,500 to 450,000?

Hon. Mr. Andrew: — As the hon. member might be aware on that, we pay exactly what the Crimes Compensation Board awards and it of course has to be somewhat of a guess and this is simply upping it because last year was insufficient amount of money.

Item 34 agreed to.

Item 35 — Statutory

Mr. Shillington: — Once again, the cost has gone up by 24.3 per cent, Mr. Minister. I'm wondering what this item is?

Hon. Mr. Andrew: — That addition is for a Legislative Secretary that works for me.

Mr. Shillington: — Are you saying you didn't have one last year?

Hon. Mr. Andrew: — That's exactly what I'm saying.

Mr. Shillington: — Mr. Minister, is this an additional Legislative Secretary to the system or is this a Legislative Secretary who was transferred from another minister?

Hon. Mr. Andrew: — Transferred.

Item 35 — Statutory.

Vote 3 agreed to.

Supplementary Estimates (No. 2)
Consolidated Fund Budgetary Expenditure
Justice
Ordinary Expenditure — Vote 3

Items 1 to 13 inclusive agreed to.

Vote 3 agreed to.

Mr. Chairman: — I would like to thank the minister and his officials.

Mr. Shillington: — Thank you very much. I also would like to thank the officials for the assistance they've rendered us in these debates.

The Assembly recessed until 7 p.m.