

July 13, 1989

The Assembly met at 2 p.m.

**Acting Clerk:** — I beg to advise the Assembly that Mr. Speaker will not be present to open today's sitting.

Prayers

## ROUTINE PROCEEDINGS

### ORAL QUESTIONS

#### Farm Foreclosure Notices

**Mr. Romanow:** — Thank you very much, Mr. Deputy Speaker. My question today is to the Premier and the Minister of Agriculture. Mr. Premier, I have here in front of me a document prepared by the Farm Debt Review Board of Saskatchewan which indicates that as of June of this year, 10,132 — 10,132 — Saskatchewan farmers, or roughly one in five, has been served with a farm foreclosure notice. In one region alone, the R.M. of Meadow Lake, nearly 72 per cent of all farmers, 72 per cent of all farmers in that R.M. have received the foreclosure notices. In fact, I can send you a copy of the report, and I will so do.

Mr. Premier, these are obviously shocking statistics, and my question is to you is this: are you aware of these numbers and this report, and will you confirm them today?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — Mr. Speaker, I will point out to the hon. member that I'm aware of the numbers, and I want to make sure that the House understands and the public understands that these are not foreclosures, Mr. Speaker.

**An Hon. Member:** — They're notices of foreclosures.

**Hon. Mr. Devine:** — They are notices — exactly. And many are under section 16 and section 20, and mediation has taken place. And in many cases, Mr. Speaker, it's been quite successful.

We have numbers that will show that in some cases over half of them have been in support of farmers. And when we go through the mediation and we provide the kind of guidance that is available and the kind of guarantees, Mr. Deputy Speaker, then in fact you can help the farmers.

Secondly, I'd like to point out to the hon. member, we have legislation here before this House which will help people refinance the home quarter, refinance their land, refinance situations, Mr. Speaker, that they face now as a result of some of the foreclosure notices.

We have been unable to pass that legislation, Mr. Speaker. That legislation is unique in the province of Saskatchewan, and we would like to also provide mortgage-backed guarantees so that in fact families can deal with each other without financial institutions. Both those pieces of legislation are on the floor of the House and we've been unable to pass them, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — Mr. Speaker, I have a new question to the Premier. I might say by way of a preliminary remark to the Premier, we're prepared to deal with both of those pieces of legislation today if you will put them forward today and debate them . . .

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — . . . and were in the past . . . (inaudible interjection) . . . Well we'll study them and pass them today or tomorrow.

**Mr. Deputy Speaker:** — Order, order. Allow the member to put his question.

**Mr. Romanow:** — Thank you, Mr. Deputy Speaker. I want to say by way of a preliminary remark to the Premier opposite that we are prepared, if you will move the other business out of the way, to deal with that legislation today, perhaps tomorrow at the outside . . . (inaudible interjection) . . . Today. Well the member opposite says today. We'll even do it today, over extended hours, and we're prepared to deal with that.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — And I also want to tell the Premier, because he's occupied otherwise outside the House very often — I understand that very much — we were prepared to do that two, three weeks ago, or at any time in the legislature they introduced it.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — Now, Mr. Premier, my question to you is this. Clearly this year I think everybody knows that the countryside is looking pretty green, and the chances of a pretty good crop in many areas is better than it's been for quite some time.

Still, according to the document which you say you are familiar with and are aware of, 20 per cent of Saskatchewan farmers who have received notices, as you point out — that's all that I say — or 10,000 farm people, in excess of 10,000 farm people face, if not all of them a great number of them, the prospect that in the face of this good weather, they may not make it through to the end of the year. I have a specific proposal and a question which I put to you to see how you would respond to it.

Mr. Premier, in the light of this, would you agree to implement, on the part of your government, and seek to convince the Farm Credit Corporation authorities, implement a temporary suspension of all legal actions against farmers, say, until the end of the year, so that those 10,000 plus farmers and others who are not on the list are not taken legal action against or foreclosed before they get this year's crop in the bin and in the elevator, and thereby possibly get further salvation? Would you agree to that policy?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — Mr. Speaker, I am very happy that

the Leader of the Opposition has stood in his place today and agreed to pass legislation to help farmers finance their farm and refinance their farm, Mr. Speaker. And, Mr. Speaker, I sincerely respect the fact that we can have the co-operation of the legislature so that, in fact, we can pass this needed legislation which will help the farmers refinance home quarters, which will help them finance other quarters where at all viable; the mediation process is working if we back them up.

Secondly, Mr. Speaker, I will say to the hon. member that with the passage of this legislation we can back home mortgage guarantees so that in fact if families want to sell to their children or they want to sell to neighbours, they can do it without financial institutions because we are prepared to back both, Mr. Speaker.

I will also say that it's very important to the farmers of Saskatchewan they have an access to credit, Mr. Speaker — access to credit. The hon. member says we should have a moratorium on foreclosures. Well the NDP have often said that we should have a moratorium on farm foreclosures. I only throw out to the hon. member — and he is fairly familiar with foreclosure actions with financial institutions, Mr. Speaker — that we have to be careful that we don't dry up the credit for the people that are farming in Saskatchewan, because if you do apply foreclosure legislation or moratorium on foreclosure legislation, you can go to the credit unions and the financial institutions and the banks and they may say: well look, I can't lend money at all to farmers whether they're in some difficulty or a lot of difficulty, because you've got a moratorium on in terms of any action that they can take.

We believe that the legislation that we have proposed in the Speech from the Throne — and if the opposition agrees to pass today — will go a long way in protecting farmers so that we can refinance their home quarter, refinance their homes, refinance other quarters, and in fact, Mr. Speaker, finance themselves because we can back it up with legislation from the Government of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**The Deputy Speaker:** — Order, order. I'd like to bring it to the attention of the House that long questions lead to long answers. I would ask members on both sides of the House — order — on both sides of the House to adhere with question period and keep their preambles short and their answers short.

**Mr. Romanow:** — Thank you, Mr. Deputy Speaker. I have a new question to the Premier, and I want to come back to the last question that I asked the Premier. I'm sure the Premier noted, but in case he didn't, I'll make myself even more clear. The proposal that I'm advancing is a suspension of legal actions, which you could do, sir; you have the power to do, as Minister of Agriculture . . .

**An Hon. Member:** — Moratorium.

**Mr. Romanow:** — Moratorium, if you will, to the end of the year, to the end of the year. I made the proposal back on April 13 that there be a similar proposal with respect to the end of the month of July in order that farmers who

could expect to get their drought payment not be foreclosed until such time lest the payment came through to help them survive during that period.

All that I'm saying here is the possibility of that being extended for a limited period only, in the light of the legitimate concerns about the availability of credit and capital that you have pointed out — I share that concern with you. Why not an extension for that period, for this large number of 10,000 plus. And don't forget, Mr. Premier, that there is another category of farmers who are not formally noticed, if I may put it that way, who are also facing serious times. Why not some form of guaranteed protection to capitalize on this particular period of good rains and, hopefully, potentially good crops.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — Mr. Speaker, the hon. member probably knows from his experience with farm financing in financial institutions that under The (Saskatchewan) Farm Security Act and the Farm Debt Review Board and of the counselling assistance, that farmers are protected from 90 days to 120 days to 150 days from any foreclosures, Mr. Deputy Speaker. So that in fact, if you pass the legislation that we want to today, plus the Farm Debt Review Board legislation and the farm security Act, they are protected for literally months.

Now if we can allow this legislation to take place — and I'm extremely happy that the opposition has agreed to co-operate to do this — I believe, in fact, if we could have passed it earlier, Mr. Deputy Speaker, it would have helped farmers in many cases that have not had the opportunity to do it. But they have protection for literally months under the legislation that is before . . . that is in Saskatchewan, when you add to the legislation that we have now, Mr. Deputy Speaker, that I believe that we can help an awful lot of farmers directly as a result of the kinds of things that we have passed in this legislature.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — Mr. Speaker, a new question to the Premier. Mr. Premier, will you not acknowledge the fact that your answer only partially deals with the issue, and not, in my judgement, as satisfactorily as you would have us believe?

For one thing, it does not prevent any form of subsequent new notices of foreclosure which are being launched. We don't know how many more are above the 10,000 line, but just next to above that 10,000 who may be subject to some form of legal action. And secondly, the reality is that even under your explanation they are ensnared in this process, whether it's a lengthy one or not.

I think it is important that we provide for the farmers at this one point where there is some optimism, albeit prices are not all that good and there are a number of other problems both on a national and international basis with agriculture, but that we provide some degree of security that for those people there'd be no further legal actions taken, sir.

And you, as the Minister of Agriculture and the minister in

charge of ACS (Agricultural Credit Corporation of Saskatchewan), and having a big influence over Mr. Mulroney in the FCC (Farm Credit Corporation), would have a very powerful position and role to play in implementing such a short-term relief and such a short-term positive form of action against the farmers in the province of Saskatchewan. Why not do that?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — Mr. Deputy Speaker, in the newspaper — I believe it's *The Globe and Mail* — July 11 here, information points out that farm lenders are reporting fewer farmer accounts in arrears and a reduction in the total amount of dollar arrears in the prairies, Mr. Deputy Speaker. And what it says is that if we help the farmers now, refinance their farms, which is the legislation before here, it will not hurt them in getting access to credit, not only at the end of the year but well into the spring of next year.

The hon. member forgets the point, and I . . . I mean, fair enough that he would raise it. He says: stop all of this action — any foreclosure action — until the end of the year, for a short term.

Now I point out, Mr. Deputy Speaker, with greatest respect to the hon. member, that farmers need access to credit year-round. And if you stop access to credit because you say there's going to be a moratorium on foreclosures — and the financial institutions have told us time and time again, and I'm sure their caucus, that if you stop this action, then they will be less likely to lend money to farmers, whether they're good farmers or marginal farmers or farmers that are in some difficulty.

What we are saying here with this legislation, and again why I come back to . . . it's very important that we will do this. If we pass our legislation, we can help farmers refinance their land, and the financial institutions will also lend the money, and that's the best of both worlds because you have financial private sector people plus the Government of Saskatchewan backing them up.

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — Thank you, Mr. Deputy Speaker. I think, Mr. Deputy Speaker, — my question is to the Minister of Agriculture — I think it is very clear that that Minister of Agriculture cannot relate to a family sitting there with a letter on its table notifying them that they're going to be foreclosed upon. And that's the problem.

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — Mr. Minister, we are in the middle of July, day 76 of this House. Finally today when we flush you out with some numbers, you are saying, well yes, we'll move the Bills. You've had three months since March 8 to do that.

My question to you is this: why did you not have, in this growing crisis, the agricultural Bills as Bills 1, 2, and 3, instead of your privatization Bills, and why did it take you till now, after we flush you out with numbers, only to say, yes, we'll go ahead with these Bills.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — Mr. Deputy Speaker, we are very happy today that the NDP opposition has agreed to co-operate and vote, Mr. Deputy Speaker, and actually vote in this legislature on agriculture legislation. This will be about the first Bill to pass, Mr. Deputy Speaker, and the NDP has finally decided to stand in their place and vote with us, vote with us on a piece of legislation that they've adjourned debate on, Mr. Deputy Speaker. They have said, we don't want to do it, they don't want to do it, and they don't want to do it. We haven't passed hardly anything in this legislature, Mr. Deputy Speaker. We've been going on for months.

Now the hon. member said that they will stand in their place and defend farmers, Mr. Speaker. I said, thank goodness, finally they've come to their senses in realizing democracy. When you come before the people in this legislature, you have a responsibility to vote, Mr. Deputy Speaker, and it's about time that they did vote in this legislature.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — And I want the members of the media to understand that. We can provide economic opportunity; we can build power projects; we can protect farmers; we can do all kinds of diversification; we can provide health care, Mr. Deputy Speaker. If these people stand in their place and vote, Mr. Deputy Speaker, we are only too happy to pass that legislation today, and we will, Mr. Deputy Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — New question, Mr. Deputy Speaker. Mr. Minister, you have control of what you put on the agenda, and for 76 days you have let your privatization mode come before the farmers of this province.

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — And you can use any lame excuse you want. That does not set aside the fact that 10,000 farmers have foreclosure notices in front them. And, Mr. Minister, I think I know why. When you were a professor of agriculture economics, 1977, I want to quote what you said:

Realizing (and I quote) that most of our food is produced by less than 20 per cent of the farmers who tend to be good business men as well as producers, society may not wish to support higher food prices of producer security so that the non-productive 80 per cent of the farm population can live in the country.

My question, Mr. Deputy Speaker, to the minister is this: why do you so hypocritically spout your rhetorical support for farm families when in reality your agenda is that you are carrying through with the thoughts that you had in 1977 to get rid of those so-called 80 per cent non-productive farmers? Why do you continue that?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — Mr. Deputy Speaker, we all know that the NDP in the province of Saskatchewan was defeated in 1982 because at 22 per cent interest rates they didn't do anything to help farmers. They were defeated again in 1986, Mr. Deputy Speaker, because they didn't have any ideas for farmers. We ran in a by-election in Assiniboia-Gravelbourg, Mr. Deputy Speaker, on agriculture, and the people there defeated the NDP because the NDP had 21 per cent interest rates, their leader was caught foreclosing on farmers on behalf of the bank, and he's standing here saying now, for heaven's sakes, we are going to do something for agriculture.

I will say to the hon. member: never in the history of Saskatchewan nor in the history of this country has a government provided more assistance to farmers, and during drought, during grasshoppers, during \$2 wheat, during international subsidies, than the province of Saskatchewan under a Progressive Conservative government, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — And we are happy to back up farmers today, knowing that the NDP will finally vote on legislation for brand-new legislation to protect farmers again, because they never thought of it. All they would do is take their farms, stand in the legislature and go on strike; then they'd adjourn debate on the legislation. And they've got the audacity to stand here and say, we want to do something for agriculture. The NDP does not understand agriculture today, they didn't in '82, and they won't in the next 21st century, Mr. Deputy Speaker.

**Some Hon. Members:** Hear, hear!

### Projected Decline in Farm Income

**Ms. Atkinson:** — I just want to point out to the Premier of this province that they've had seven years in government, and they've had seven years to deal with the farm crisis in Saskatchewan.

My question is to the Premier of Saskatchewan. As we saw earlier, Mr. Premier, this week, farm income in this province is expected to drop by more than 30 per cent in the crop year 1989-90. With one in six farmers facing a possible foreclosure and their income dropping by about one-third, the consequences are obvious.

The main reason, Mr. Minister, that farm income is expected to drop so sharply is because of the increase in input costs rising to some 16 per cent, and the Americans are continuing to use their export subsidies to undercut world prices. In fact, the recent sale of 200,000 tonnes of barley to Saudi Arabia, one of the richest countries in the world, was eligible for an export subsidy.

What does your government propose to do, Mr. Premier, to do to offset this continued decline in the realized net farm income of Saskatchewan farm families?

**Hon. Mr. Devine:** — Mr. Speaker, I believe the hon. member's family has been involved in agriculture, and

certainly her father's been involved in organizations like the Saskatchewan Wheat Pool. And, Mr. Deputy Speaker, I can say to the hon. member we are encouraging and encouraged by the fact that we can make our own fertilizer, Mr. Deputy Speaker, that the Saskatchewan Wheat Pool is now involved in, and we expect to be involved, and they're excited about being involved in marketing malt into the United States in a public participation which will diversify the economy, strengthen the barley business in the province of Saskatchewan, led by the Saskatchewan Wheat Pool delegates who have endorsed the fact that we are privatizing the malt company, Mr. Deputy Speaker, so that in fact we can diversify and strengthen ourselves into the United States market as a result of free trade and having less tariffs; supported by farm organizations like the Saskatchewan Wheat Pool, the Saskatchewan Stockgrowers, the Saskatchewan feeders association, and elevator companies, Mr. Deputy Speaker — that's the kind of thing that they like to see, not 22 per cent interest rates that made the NDP lose the support of farmers, Mr. Deputy Speaker.

The hon. member talks about rising costs. Try 22 per cent interest rates on at high costs and see what that does to the farm. My family, your family, families involved in agriculture in this province, Mr. Deputy Speaker, want protection against high interest rates, protection against high utility rates; they want natural gas in their homes, they want individual line service, and they want diversification included in agriculture like we see in malt, and that's supported by the wheat pool and lots of other farm organizations, Mr. Deputy Speaker.

**Some Hon. Members:** Hear, hear!

**Ms. Atkinson:** — New question to the Premier. The minister will know that the largest increase of input costs have come from things such as increased taxes which your government put on; increased interest rates, which your cousins in Ottawa put on; increased fuel taxes, which your government put on; increased freight rates, which your government supports, Mr. Minister — all policies that Conservative governments across this country support, and you, sir, support.

Now you, sir, are supporting and hosting a national symposium on the family. In the face of a massive debt and income crisis, what steps is your government taking to intervene on behalf of the real families of Saskatchewan, the Saskatchewan farm family?

**Hon. Mr. Devine:** — Mr. Deputy Speaker, the hon. member mentions interest rates and they mention fuel cost. Let me just remind the hon. member, before we were government, people in the livestock business had to borrow money from the bank at 22 per cent interest rates, Mr. Deputy Speaker — 22 per cent. We introduced the cash advance to the livestock sector. Mr. Deputy Speaker, it wasn't 22 per cent, and it wasn't 10 per cent. Mr. Deputy Speaker, it's zero per cent for the first time in the history of Saskatchewan, cash advances to farm families so that they can diversify into the livestock business at zero per cent interest rates.

Now, the opposition was defeated on interest rates, and

they raise it again because they don't know how to handle it. The Leader of the Opposition was defeated on high interest rates. He got involved in it, Mr. Speaker, and he's foreclosed on farmers as a result of high interest rates, working for financial institutions.

With respect to fuel, who took the tax off fuel in the province of Saskatchewan? It was a Progressive Conservative government that took the tax off fuel, and we continue to have the lowest utility rates, and some of the lowest interest rates, and some of the lowest tax rates, and some of the best safety net that you will find any place in North America, in the province of Saskatchewan, and rural people know that because all of the rural ridings but two are Progressive Conservative, and you know that as well as I do.

**Some Hon. Members:** Hear, hear!

**Ms. Atkinson:** — New question to the Premier of Saskatchewan. Mr. Minister, there are seven million acres of Saskatchewan farm land that's been foreclosed upon; that's it — it's gone from those farmers. There are over 400 farmers that are receiving notices of foreclosure each month, Mr. Minister. That's happening under your government — that is fact.

Now my question for you, Mr. Minister, is: where does your loyalty to Saskatchewan farm families begin and your loyalty to multinationals like Cargill grain, which you have just bankrolled to the tune of \$290 million, end? When do you cease being a puppet, and when do you start serving the interests of the farmers of Saskatchewan?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Devine:** — Mr. Speaker, the NDP are interesting to watch, Mr. Speaker, in the legislature, because they campaign in the cities of Regina, and like Regina Elphinstone, the members, and in Saskatoon, and do you know what they say, Mr. Speaker? Those Tories do too much for agriculture, too much for the rural people.

And then they come back in to the rural people, and they stand in the legislature and say, well they should do more for the farmers, Mr. Speaker. Well I wish they'd speak out of the same side of their mouth both in town and out of town, Mr. Deputy Speaker, because the people of Saskatchewan know that the farmers are the backbone of this economy. And they want people who will be true to them, who have fidelity, who will be with them day in and day out, year after year, and not go to the city and say, hey, they're spending too much money for farmers, and then go outside and say something else.

We will back up farmers; we will protect their interest rates; we will reduce their costs; we'll provide individual line service, rural gas diversification, and receive support from the wheat pool, who is now marketing, through diversification, Robin's Donuts and all kinds of products, including malt, I hope, Mr. Speaker, along with others into the North American market as a result of our initiatives, Mr. Deputy Speaker.

**Some Hon. Members:** Hear, hear!

**The Deputy Speaker:** — Order, order. The member from Wascana. Order, order. It's difficult to hear the Clerk.

## INTRODUCTION OF BILLS

### Bill No. 92 — An Act respecting Police Services

**Hon. Mr. Andrew:** — Mr. Speaker, I move first reading of a Bill respecting Police Services.

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

## ROYAL ASSENT TO BILLS

At 2:37 p.m. Her Honour the Lieutenant Governor entered the Chamber, took her seat upon the throne, and gave Royal Assent to the following Bill:

Bill No. 91 — An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending on March 31, 1990

Her Honour retired from the Chamber at 2:39 p.m.

## PRIORITY OF DEBATE

### Farm Foreclosure Notices

**Mr. Upshall:** — Thank you, Mr. Deputy Speaker, before orders of the day, I rise pursuant to rule 17 of this Assembly to seek leave that a matter of urgent public importance now be given priority of debate. I provided notice of my intent to the Clerk of the Assembly this morning, and I understand that the government members opposite were also advised.

I will just take a moment to state the issue very briefly, Mr. Deputy Speaker: the figures which have just come available indicate that of last month, June '89, there were more than 10,000 notices of foreclosure against Saskatchewan farmers. That constitutes a truly disastrous crisis facing Saskatchewan farm families. The situation calls for immediate action. There can be absolutely no doubt that this is urgent and important. Accordingly, I seek leave to move the following:

That the urgent need of the Government of Saskatchewan to move immediately with emergency programs and policies to address and resolve the crisis situation characterized by the unprecedented and alarming level of foreclosure notices against Saskatchewan farm families now be given priority of debate.

**Some Hon. Members:** Hear, hear!

**Mr. Deputy Speaker:** — Order, order. A notice regarding the proposed matter for priority of debate was received in the Clerk's office at 11:57 a.m. today, for which I thank the hon. member for Humboldt. I have had time to carefully consider the case made on this important matter.

Two areas of concern arise from the member's case: the matter raised for debate must be an urgent and recent occurrence. Order. I refer hon. members to a precedent of this House dated November 29, 1974, which stated:

The fact that a grievance is continuing is not sufficient if it is not a recent occurrence. If the facts have only been recently revealed, that does not make the occurrence recent.

Clearly this is an important issue but it is also an ongoing problem. Recent figures on farm foreclosures are not in themselves sufficient to give this matter priority of debate.

Secondly, rule 17(10)(d) states:

The motion must not anticipate a matter which has been previously appointed for consideration by the Assembly . . .

I point out to hon. members that other opportunities currently exist to debate this matter. Debate touching this issue is already in progress, and members have had and will continue to have opportunity to debate the problem and the solutions as the pertinent items are called from the order paper. In addition to this, the Assembly has on the order paper a Bill that deals with the issue of foreclosure.

For these reasons I find that the matter raised by the hon. member does not necessitate a priority of debate today.

Why is the member on his feet? Order.

### MOTION UNDER RULE 39

#### Farm Foreclosure Notices

**Mr. Upshall:** — Thank you, Mr. Deputy Speaker. Before orders of the day, I would rise to move a motion, according to the rules of this House, number 39, by leave.

**The Deputy Speaker:** — Order, order. Allow the member to state what the motion is.

**Mr. Upshall:** — Thank you, Mr. Deputy Speaker. We continue to believe that this is a very vital problem we have before us.

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — The motion I will move will be along the following lines, and I move this motion because we are not content to sit here and see 10,000 farmers with notice of foreclosure. We are glad that the government is willing to co-operate even though it was three, four months after this legislature began.

Therefore, because of this crisis, we must air all the facts involved. We must have a debate on this issue to ensure that we proceed in a manner that will help Saskatchewan farm families. Therefore I move, seconded by the member for Quill Lakes:

That this Assembly calls on the Government of

Saskatchewan to move immediately with emergency programs and policies to address and resolve the crisis situation characterized by the unprecedented and alarming level of farm foreclosure notices against Saskatchewan farms.

With leave, Mr. Speaker, I do move that.

Leave not granted.

**The Deputy Speaker:** — Order, order.

### ORDERS OF THE DAY

### GOVERNMENT ORDERS

### SECOND READINGS

#### Bill No. 73 — An Act to amend The Saskatchewan Human Rights Code

**Hon. Mr. Andrew:** — Mr. Speaker, I have two short second reading speeches . . .

**The Deputy Speaker:** — Member from Regina Elphinstone, state your point of order.

**Mr. Lingenfelter:** — Mr. Deputy Speaker, I thought during question period the Premier had gave his word that we would move immediately to the farm Bills — not the Deputy House Leader, who we don't trust, but the Premier, who said we would move directly to farm Bills. And now he's not bringing it forward.

**The Deputy Speaker:** — Order, order. It's not a point of order. Order, order. I'd ask members on both sides of the House to allow the Minister of Justice to make his remarks.

**Hon. Mr. Andrew:** — Mr. Speaker, I have two short second reading speeches to make. One is with regard to the Human Rights Commission amendments, and the other one is The Saskatchewan Farm Security Amendment Act, which I think is material to the farm question, Mr. Speaker. I would hope to be able to introduce that one, and hopefully we can pass it through the entire House today. Following that, Mr. Speaker, with adjourned debates we will go to the agriculture Bills and hopefully sit tonight, long into the night if we have to, to get those passed, Mr. Speaker.

A short speech now, Mr. Speaker, with regards to the Saskatchewan Human Rights Code amendment. Prior to that, Mr. Speaker, I would like to introduce to the House some members that are in the gallery. This group represents a variety of groups who are relevant to this particular legislation, are here to hear this legislation, Mr. Speaker. That group consists of members of the Saskatchewan Association For Community Living, People First, Voice Of The Handicapped, Friends of Schizophrenics, By Ourselves, Learning Disabilities Association, and the Saskatchewan Human Rights Commission.

Mr. Speaker, in moving second reading of the amendments to The Saskatchewan Human Rights Code

Amendment Act, these amendments will for the first time provide protection to mentally disabled under our provincial human rights legislation. The changes will ensure that discrimination against people with a mental disability will be prohibited when these individuals seek accommodation or employment or desire access to services offered to the public.

For the purposes of the code, mental disability will include mental retardation or impairment, learning disabilities, and mental disorders. The amendments will allow a few specific exemptions to the general principle that no distinctions are to be made on the basis of mental disability. Thus employers will still be able to make distinction on the basis of mental ability with regard to prospective employees. Presently the code allows employers to make distinctions on the basis of sex, physical ability or age, where one of those characteristics is a reasonable occupational qualification and requirement for the position of employment.

(1445)

Further amendments, Mr. Speaker, will remove the blanket exemption from the provisions of the code that prevent employees in private homes from being able to file complaints with Saskatchewan Human Rights Commission. An employer in a private home will still be able to make distinctions when hiring an employee to come into the home to care for a child or other family members. However, if such employee, for example, are sexually harassed, they will now have the same protection of the code as other employees.

Another exemption to the present code also effectively insulates non-profit organizations from any complaints by employees respecting discriminatory practices. This provision enables organizations to hire persons who belong to a particular interest group. For example, a group consisting of persons belonging to a particular ethnic group and engaged in serving the interests of that ethnic group can hire individuals who also belong to that ethnic group.

However, Mr. Speaker, this exemption provides no remedy for employees who are otherwise discriminated against in such organizations. For example, if an organization engaged in serving the interests of a particular ethnic group had a policy of never hiring the disabled, it should be possible to file a complaint with the commission. These amendments will provide some access to the code for employees of these organizations.

The amendment, Mr. Speaker, will also broaden the hate literature provision to include articles and statements so that such material would come within the code.

This change is made in response to Saskatchewan Court of Appeal decision in *The Red Eye* case. The court stated that while certain contents of a paper were offensive respecting women, the court could not provide a remedy because the material was not a notice, sign, symbol, emblem, or other representation covered by the code. This amendment will make the publication of offensive materials in articles, or statement form, a contravention of the code as well.

Finally, certain housekeeping changes in the search and seizure provision, and the arbitrary arrest and detention provision, will bring the code into line with comparable provisions in other provincial legislation and court decisions based on the charter.

Mr. Speaker, I move second reading of An Act to amend The Saskatchewan Human Rights Code.

**Some Hon. Members:** Hear, hear!

**Mr. Koskie:** — Thank you, Mr. Deputy Speaker. I would like, first of all, to join with the minister to welcome to our gallery and to the legislature the many interested groups that are here today. And certainly at the outset I think we want to join with the minister in wanting to proceed and support the legislation which he has brought forward.

I think it has been said that a basic test of a truly civilized society of free men and women is the extent which it serves by law and by support and by leadership to banish for ever the five great scourges of the humankind — that of ignorance, fear, hate, want, and intolerance.

And certainly we on this side support every effort in building a more just and compassionate society for all elements in society.

**Some Hon. Members:** Hear, hear!

**Mr. Koskie:** — That is the goal and that is the history of our party.

I want to indicate, Mr. Speaker, at this time, and want to point out that it was the CCF government of Tommy Douglas that enacted Saskatchewan's bill of rights, and it was the NDP government of Allan Blakeney which enacted the Saskatchewan Human Rights Code and established the Saskatchewan Human Rights Commission to enforce the code and to be the effective guardian of fundamental human rights in this province.

While those measures and others that accompanied them were proud accomplishments for Saskatchewan, there is still more that we can do. As both circumstances and society have changed, so too has there been a need for evolving improvements with respect to the protection of human rights in our province. To that extent, to the extent that the amendments now being proposed are positive steps in that direction, they are to be commended and certainly supported.

But while the actual legal text of the law is certainly important, Mr. Deputy Speaker, there is something else that is even more important, and that is the overall support and leadership provided by government with respect to the fundamental human rights.

And I want to say, and really on a basic of a negative aspect, that unfortunately in this regard the performance and the record of the government opposite has not been always the best. It has indeed been wanting.

Since first taking office the government opposite has received, but not heard, sound advice and

recommendations from several groups in the province who are committed to the protection and the enhancement of human rights. It was disappointing, but perhaps not surprising, for example, that the government opposite introduced as its first Bill in this session the privatization Bill, but waited four months to introduce the amendments to the Human Rights Code.

I want to say I have also been disappointed by the government's apparent unwillingness to undertake a broad comprehensive and public review of both the commission and the code. Now, after they have both been in existence for 10 years, I believe such a broad public review would be appropriate and desirable.

Once again we see that on issues such as these, issues where wholehearted support of the leadership is required, that the government's record and commitment on human rights are found wanting. It is a sad commentary indeed, on human rights record of the government, that the public first thinks of negative examples. Examples such as the deeply offensive racist remarks that have been made by the Premier of this province and by other government members, or the deeply offensive and inexcusable sexist remarks made in public by government ministers, and hurtful and no less offensive government policies which have imposed so many hardships on so many Saskatchewan women, or the cut-backs arbitrarily imposed on the Human Rights Commission itself and the serious understaffing that the government has imposed upon it.

Or take the current and topical example: the shocking and tragic reports about child hunger in Saskatchewan, about the unprecedented demand on food banks, about the poverty that has been forced upon thousands of Saskatchewan families. Unfortunately, Mr. Deputy Speaker, when we review and consider the human rights performance of the government opposite, those are the examples that come to mind, for that is their record.

The primary effect of the amendments, as indicated by the minister before us today, is to extend the protection of the Saskatchewan Human Rights Code to those with mental disabilities, and these amendments are long overdue and were recommended as far back as 1983. The amendments also propose to broaden the scope of the code so as to tighten up the prohibitions against hate literature.

For those specific reasons I shall be certainly be supporting the amendments today, but by themselves these amendments alone cannot hide or excuse the government's overall poor record on the issues of fundamental human rights.

I want to, in closing, Mr. Deputy Speaker, indicate that this government, it has failed, for example, to fully protect and advance the rights of the physically disabled people. It has failed to meet their important and legitimate needs for physical accessibility. It has failed to meet their needs for post-secondary educational opportunities.

And even this government cannot ignore the tragic and indisputable fact that a disproportionately high percentage of those living in poverty in our province are

the men and women and children who are disabled. For them, as for many others, failure to provide leadership, failure to provide support, effectively constituted denial of their right to participate fully in our society. And surely that effective right to participate in society is one of the most fundamental rights of all, for that is what genuine citizenship is all about.

I want to indicate again in closing, the minister has introduced some amendments which we are supporting, and the highlights of which I have spoken about. And I say again that certainly the record of our party and our movement have strongly been in favour of human rights, and certainly any step forward will be supported on this side.

**Some Hon. Members:** Hear, hear!

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

#### **Bill No. 74 — An Act to amend The Saskatchewan Farm Security Act**

**Hon. Mr. Andrew:** — Thank you, Mr. Deputy Speaker. I'm pleased to move second reading of The Saskatchewan Farm Security Amendment Act, 1989. In the spring session in 1988, the government introduced a comprehensive farm protection legislation in the form of The Saskatchewan Farm Security Act. Since that time it has become apparent that certain amendments are necessary to ensure that the Act's stated policy intent of keeping of Saskatchewan farmers on their land can be attained.

The amendments in this Bill provide for a farmer's right of first refusal under the Act to be assigned to the member of that farmer's immediate family. Where such an assignment occurs, the farmer shall advise the mortgagee within 30 days of the date of the assignment. The Bill also provides, where a farmer has a right of first refusal under the Act dies, that right will pass to the farmer's estate. These amendments were intended to further support the continued operation of Saskatchewan family farms.

This Bill also enables the Farm Land Security Board to delegate to its employees the authority to exempt certain mortgages or classes of mortgages from the operation of the homestead moratorium. This amendment is intended to enhance the operation of the board's administration. However, the amendment also requires that in cases where the employee of the board decide an exemption would be against the best interests of the farmer, the application must be returned to the board for their full consideration.

In addition, this Bill also extends a current exception for guaranteed farm improvement loans that will be extended to guaranteed farm improvement loans under the new federal Farm Improvement and Marketing Cooperative Loans Act to better facilitate the extension of credit to farmers from credit unions and other lending institutions.

A number of other amendments of a technical and purely grammatical nature are also contained in the Bill for the



purposes of clarifying the policy intent of the Act.

Mr. Speaker, this particular piece of farm legislation, I believe, should be supported by all members of the House. It allows, in effect, the right of first refusal to pass on to a member of the family and therefore better enable that particular family, should something transpire in such and such a way, allow that family to still maintain ownership of the family farm, Mr. Speaker.

And with that, I move second reading of The Saskatchewan Farm Security Amendment Act, 1989, and would hope to have quick and unanimous support of this Bill.

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — Thank you, Mr. Deputy Speaker. Well, Mr. Deputy Speaker, we see on day 76 the priority of the government again. After 76 sitting days, we're again moving on an agricultural Bill which should have been introduced on day one of this sitting.

Mr. Deputy Speaker, though, in keeping with the commitment made from this side of the House today in question period, I will keep my remarks very brief and allow these Bills to be put through — all their agriculture Bills — because for one thing we keep our word, and for another thing that this government . . . we'll give them another chance to try to help Saskatchewan farmers. In the past we have not seen that happen.

Last year when the government introduced its Saskatchewan Farm Security Act, they said it was going to be a great benefit to Saskatchewan farmers. Well, Mr. Deputy Speaker, in talking to many people involved in the legal field and farmers involved in the process, that Act did virtually nothing to help Saskatchewan farmers.

(1500)

But now we see an amendment to that Act which this government and the Premier says it's going to be able to stop all foreclosures. And I can see, Mr. Deputy Speaker, why that Act last year would need some amending. But the claims that these Bills were going to help Saskatchewan farmers, like last year, when now we see 10,000, over 10,000 farmers with notices of foreclosure . . .

But we are going to be willing to take the chance. The Premier said today that his Bills, his agricultural Bills, including this one, are going to stop all the foreclosure actions. I am forced into moving through this Bill very quickly because we do not have any options. The farmers of this province are in such crisis state, many of them, that we can no longer wait for this government to put forward its Bills.

So today we flushed them out by exposing the fact that there were over 10,000 farmers with notice of foreclosure, and we all know that there are many others who are just hoping that they can get a bit of a crop this year and the price stays decent enough so they won't be the next people on the foreclosure list.

But we have that commitment from the Premier that his

Bills were going to stop foreclosures. The farmers of this province are desperate. We are willing to co-operate fully, and we're willing to take a chance because we on this side of the House have no options. We've been pleading with this government to bring forward this Bills right from the beginning of this session. It has chosen to wait late, late in the session before bringing forward the agricultural Bills, and then somehow claims that it is our fault, when they're in complete control of the agenda.

That just doesn't wash because people, the farmers in this province know if the priority of this government was agriculture, Bill 74 would have been on the order paper immediately following the opening of this session.

But as I said, we are now forced . . . many things I could be saying about this, but I'm not going to, because we have a commitment from that government to move these Bills through, commitment that they're going to stop the foreclosure actions. And even though we don't think they will, because in the past it hasn't happened, we are willing to let this Bill proceed as quickly as possible, and the other Bills, in order that this government maybe will come to its senses, maybe will listen to the farmers and farm groups, and maybe will provide some leadership and legislation that is so desperately needed.

I don't necessarily believe in giving this government another chance, but we're forced to — just as the farmers — to comply with whatever they say, just on the outside chance that it might help. It hasn't in the past, but I hope it does in the future because the farmers need it so desperately.

So for those reasons, Mr. Speaker, I would be willing to have this legislation move quite quickly.

**Some Hon. Members:** Hear, hear!

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

## ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Devine that **Bill No. 41 — An Act to amend The Agricultural Credit Corporation of Saskatchewan Act** be now read a second time.

**Mr. Petersen:** — Mr. Speaker, I didn't want this debate to end with members opposite sitting there and chirping from their seats, going on and on about this government and how little we've done. I think that Acts like this will do a lot to move people of Saskatchewan towards a better future without the obstructionist tactics of the members opposite. Today we've finally seen them come to their senses and agree to move this type of Bill forward, and I would just like to put it on the record that I thank them for finally coming to their senses. Thank you.

**Some Hon. Members:** Hear, hear!

**The Deputy Speaker:** — Order.

**Mr. Koskie:** — I want to make a few comments in respect to the Bill, Mr. Deputy Speaker. Today, after we had been searching from the government to determine accurate figures in respect to the agricultural crisis, today we have it the Premier of this province had this in his possession and has sat around and not moved any Bill, and we're into the 75th day of the sitting of the legislature.

This is how much he cares about farmers. He had a full opportunity to come forward with this legislation immediately on the first day of the Assembly, and he sat idly by. The record of this government is a sorry record, and the farmers of Saskatchewan know it. And that's why the Tory party and the government have completely lost any favour with the public of Saskatchewan and they sit at about 30 per cent in the polls.

Do you realize, Mr. Deputy Speaker, that here we are today . . . In what day, Fred?

**An Hon. Member:** — Seventy-six.

**Mr. Koskie:** — Day 76. Day 76. We moved a motion in this House weeks ago, urging the government to deal with the agricultural crisis as they would perceive it. They turned down that recommendation, that motion of our House Leader. And today after we got the facts we flushed them out, and they can no longer deny and be hypocritical in respect to introducing some form of farm legislation.

**Some Hon. Members:** Hear, hear!

**Mr. Koskie:** — Do you realize that when we look at some 60,000 farmers, Mr. Deputy Speaker, the sorry details that come forward is that over 10,000 farmers in Saskatchewan — over 10,000 farmers — are on the verge of losing their livelihood and losing all their earthly possessions? And this government has sat by during this session and refused to do it until the Leader of the Opposition lured them, in fact embarrassed them into proceeding with the legislation.

That's what happened today. And I want to say, as one takes a look at the crisis in agriculture which we tried to raise in this legislature dealing with the high interest rates, the members opposite refused to join with us to urge the federal government not to proceed with high interest rates. They refused it, put a motion on, refused to bring it before the legislature. They really are concerned about the farmers.

An analysis of the federal budget indicates that the average farmer is going to pay thousands of dollars, thousands of dollars extra as a result of the policies of the Mulroney government. And this government sat by and has not said one word to protect the farmers of Saskatchewan. But, Mr. Speaker, the public has to know how drastic the situation is.

This spring we urged the government to take two interim policies. We asked them to guarantee operating loans to farmers who were in financial trouble until they got the drought payments. They refused to do that. We urged

them to put on a moratorium until the farmers of Saskatchewan got their delayed drought payments, and the party opposite, the government, refused to join with us. We have urged the implementation of a debt restructuring for the last several years, and the government has done nothing.

And I have a suspicion, Mr. Deputy Speaker, that within the contents of this Bill, that there's going to be more fluff than substance, more fluff than substance. And I say to you, Mr. Deputy Speaker, the crisis demands the total commitment of this legislature to deal with this critical problem.

I take a look at some of the municipalities. Moose Mountain, there is 28.9 per cent of all the farmers there have a notice of foreclosure. I go over to the next page, and I look at Gull Lake, and we find 46.2 per cent of all the farmers in that municipality are under siege of losing their property.

I take a look at Sherwood in Regina, 66.4 per cent of all the farmers in that municipality are under siege. I take a look at Victory and I find that — that's municipality no. 226, Victory — and I find that there are 49.7 per cent. There are 226 farmers and 153 of them are under siege.

This is the crisis that we are facing, and this government is bringing forward a Bill, a legislation. They promised it in the throne speech, they promised it in the budget, and we are now in day 75 and the government had to be embarrassed into bringing it forward. This government attempts to solve the problems of society through public relations rather than concrete, long-term programs. And that's the fear that we have in respect to this Bill.

And I'll tell you, Mr. Speaker, it is not this side of the House that is delaying the passage of any agricultural Bill. The blame lies with the Premier of this province who has the right to bring any legislative agenda before this House. But what did he bring forward? Privatization. A general privatization Bill he brought forward. He wasn't worried about the farmers. Then he brought forward the energy Bill. He wasn't worried about the farmers. Then he brought forward the potash Bill. He wasn't worried about the farmers.

And we've spent hours debating in respect to privatization, and I ask you, Mr. Deputy Speaker, to consider how many hours we have stood in this legislature to debate agriculture, the essential element of our economic well-being here in Saskatchewan.

And there can be no other conclusion. This government has failed the farm communities, have failed the farm families that are in financial trouble, and I indicate that in respect to this legislation, the basic solution will not be there because we outline what the solution was, is having an income stabilization program, having a major debt restructuring.

But they wait. And here we have one-fifth of our farmers on their knees. That is what the result of the policies of this government has been. And the Premier and the Minister of Agriculture has refused until he was embarrassed by the Leader of the Opposition to bring in this legislation.

I say to you, Mr. Deputy Speaker, the crisis is great. I take a look at another, the Cote municipality, and believe it or not, there's 48.8 per cent of the farmers are in trouble. I take a look at Loreburn — there's 26.5 per cent of all farmers have a notice of foreclosure or are at some stage of foreclosure. I take a look at the very first one which is Wallace, No. 243, and what do you find? Thirty-six point six per cent of the farmers have notices of foreclosure, to over 10,132 as of the date of this document. The Premier had these figures. The Premier had these figures going back several months, and he sat idly by and was embarrassed today to bring in the legislation.

I say, Mr. Speaker, we will be supporting to get this through, but I know the farmers of Saskatchewan, just as they did in the last federal election, have figured out Tory farm policies. And what they did in the federal election is they elected 10 out of 14 New Democrats to Ottawa to fight for them for agriculture. And come the next election, I'll tell you, there will be constituency after constituency voting New Democrats in to protect the farm families that are being driven off by Tory policies.

**Some Hon. Members:** Hear, hear!

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

(1515)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hepworth that **Bill No. 55 — An Act to establish the Agriculture Development Fund** be now read a second time.

**Mr. Upshall:** — Thank you, Mr. Deputy Speaker. Again in co-operation we will be letting this Bill go through fairly quickly. And I would just hope that the government keeps its commitment, as it has so many times not, in the past. But the establishment of the agriculture development fund is . . . the Bill I have no problem with, but I would just like to point out a few points that would clarify that the agriculture development fund in some cases is not used to its greatest degree; or it's not used, I should say, in the way it should be used.

A little example I could use is that in Moose Jaw there were two people who were given a substantial amount of money from the agriculture development fund to put computer terminals around the city of Moose Jaw — about 10 computer terminals. And that project, they put the computer terminals around, and people could go in and find out facts on weather conditions and, oh, just a varying number of facts. The system went in for six months; it was taken out and a report was written to the provincial government, and they got somewhere in the area of \$250,000 to do that.

Now that is not good use of Saskatchewan taxpayers' dollars. The idea of an ADF or development fund is a good idea, but we just cannot let the government in place today squander away money on useless projects. And unfortunately, along with the good programs that may come up from time to time, there is a great squandering of

money on Tory patronage. And that's the problem that I have with the ADF Bill — not the Bill itself, but how the Bill is handled by this government.

So we must use this Bill; I would agree to this Bill. I will hope that it will be used to help the farmers of Saskatchewan, to help some of those 10,000 farmers who have foreclosure notices in front of them. To help the people in Meadow Lake, for example, the farmers in Meadow Lake, for example, who . . . and this is almost an unbelievable figure. And I would ask the member for Meadow Lake to pay attention and listen to this. I would ask the member for Meadow Lake if he made representation to the Premier to say that there was 71.5 per cent of the people in the Meadow Lake rural municipality who have foreclosure notices — 71.5 per cent?

And if the member for Meadow Lake would pay attention, maybe he would make representation to the Premier that the agricultural development fund moneys could be used to fund projects that would help farmers reduce their costs, so the ADF (agriculture development fund) could fund projects to help farmers put in . . . help people put projects in place that would help farmers, the 71.5 per cent of the farmers in Meadow Lake who are having trouble; or ensure that the member for Saltcoats, who is very close to the Wallace municipality, and I believe Wallace municipality is about 243 . . . I wonder if the member from Saltcoats — yes, 243 — 36.6 per cent . . . (inaudible interjection) . . . Now Wallace municipality . . . No, I think that's in Pelly. That's right. Where's the member for Pelly? Has he made representation to the Premier?

**The Deputy Speaker:** — Order, order. I've allowed the member quite a lot of latitude. Order, order. Members are not to make reference to people's absence or presence in the Assembly.

**Mr. Upshall:** — Mr. Deputy Speaker, I'm sorry if you thought I made reference to them being here or not, I did not. And I know that's the rule of the House.

What I was saying was that I wonder if the member for Pelly or Saltcoats, and Wallace municipality borders on Saltcoats and Pelly, if they made representation to the Premier of this province, the Minister of Agriculture, to make sure that the agriculture development fund was used to fund programs that would help out the 36.6 per cent of those farmers in those municipalities, so that those 36.6 per cent who have foreclosure notices in their living-rooms. I would ask that.

And I would hope that this ADF Bill would be used to fund projects that would help some of these people, that would help some of the people in Invermay, 32.6 per cent of the farmers in Invermay.

So the point to be made here, Mr. Speaker, is on a Bill like the agriculture development fund, as like on all the other agriculture Bills that are before us, we have seen in the past the rhetoric from the government saying that they are the ones who are going to put forward the programs like the ADF to support farm families so that they won't be foreclosed upon. And they say that they're going to make

representation in Ottawa; maybe there's some joint funding going on in the ADF.

But we have seen 10,000 farmers — that is why I'm going to allow this Bill to go through in the hope that part of the agriculture development fund can be used to relieve this burden and stress on those over 10,000 farm families who have foreclosure notices in their houses. That's why it's so very important.

And I would like to continue and explain to the members opposite many, many other reasons and problems that I have with the way they operate such things as the ADF, or the way they operate some of their other Bills. But I'll tell you, Mr. Deputy Speaker, that we . . . I am willing, because of the commitment made from this Premier today, that the foreclosure actions will be stopped if we allow these things to go through, and we said yes, we'll allow them to go through today. Then I am willing to take that chance.

I have no confidence in him, but I'll tell you, on behalf of the farmers of Saskatchewan I think it's my duty and our duty, just in case, just on the outside chance that there is something there that might help. And we've seen in the past the great glory programs of this government, and we see today the facts — over 10,000.

So for those reasons, Mr. Speaker, I am willing to let this Bill proceed.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hepworth that **Bill No. 69 — An Act to provide for the Financial Stability of Agriculture** be now read a second time.

**Mr. Upshall:** — Mr. Deputy Speaker, again I would say that this Bill, An Act to provide (for the) Financial Stability in Agriculture, is a Bill that I really don't think . . . Well, actually, we don't know what's in it because everything's in regulations.

But I just want to say that I am disappointed, because we had access to this Act earlier on this year, and we exposed it and asked the government opposite to, in fact, put some substance into it so that we could debate it on the floor of this House. And they did not do that; they refused; they continued to put the Bill forward. They put it forward with the majority of the clauses in the Bill in regulations. That means the cabinet can decide what the program's going to be, when it will start, when it will end, what the rates will be, who it applies to, where the majority of the funds are going to be allocated.

So I have no faith that this financial stability Act of agriculture will do very much for Saskatchewan farmers. And I've spoken on this Bill before and I would hope that this Bill, The Financial Stability of Agriculture, will help some of the people who are in financial difficulty.

I hope this Bill 69 will help the people in Big River, because in Big River municipality 41.2 per cent of the

farmers have foreclosures notices — 41.2 per cent. I would hope that this financial stability Act would help some of those people.

As I said before, I'm not sure that there's going to be much in it. It's quite easy to let this Bill go forward, because how can you debate a Bill that's — majority of it — it's in regulations anyway. But that's not the reason we're letting it go through. We're letting it go through because we're co-operating fully with this government, co-operating fully with this government on the off chance that some of the over 10,000 people with foreclosure notices might just be helped.

And I hope they are helped because — I hope they are helped because some might think that I would not want this government to be more popular, but that's not the case. I hope those farmers are helped because the crisis out there, the stress that I see in their families, is not befitting any person on this earth — the stress that they have to go through.

So, Mr. Deputy Speaker, I think that this government, if it has the courage today after it's been exposed, after the numbers forced them into moving ahead with these things, I would also let this Bill proceed.

**Some Hon. Members:** Hear, hear!

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

## COMMITTEE OF THE WHOLE

### **Bill No. 74 — An Act to amend The Saskatchewan Farm Security Act**

#### **Clause 1**

**Hon. Mr. Andrew:** — Thank you, Mr. Chairman. The one official that will be with me today is Mr. Doug Moen. He's not here. He'll be here presently. Perhaps we can start prior to his attendance at the House.

I set out for you what the Bill 74 consisted of, which was amendments to The Saskatchewan Farm Security Act, primarily to allow the right of first refusal to the farmer's immediate family. That's the prime purpose of this particular amendment.

**Mr. Upshall:** — Thank you, Mr. Chairman. Well, Mr. Minister, in The Farm Land Security Act, this Bill, I would like to know how this Bill is going to affect the Act as it reflects upon the Act specifically with the foreclosure actions. Okay? The Farm Land Security Act, or The Farm Security Act of last year was supposed to limit actions and delay foreclosures for about three years on farmers.

My question to you is: how many foreclosure actions have been . . . are put in place, despite the fact that your Act was implemented?

(1530)

**Hon. Mr. Andrew:** — The hon. member asked the

question as to the number of notices received under the Farm Land Security Board. I believe that was the question the hon. member asked. From January 1, 1989, to June 30, 1989, for the hon. member, there were 535 notices received involving 357 farmers. That was for the first six months of 1989 — 357 farmers.

The number of cases . . . That's the notice, you understand, the notice coming in.

The number of cases completed for that first six-month period was 778 cases. That means that there were . . . of that 778, 603 were resolved, 175 were . . . court reports were prepared. Therefore, of the 175 . . . the 603 that were resolved, obviously they came to some kind of an arrangement. So that means that there's 175 cases that were . . . court reports were prepared. Of those, there were no representation on nine; there was a positive representation for the farmer on 61; there was a positive response for the creditor on 62; and there was a neutral report on 43. That's of the 175.

So if your question was how many cases reviewed in the first six months of the year that went to court, or are presently being into the court, is 175 cases.

**Mr. Upshall:** — Mr. Minister, in the process of having your home quarter exempt for three years, there's a provision to sign a waiver, I believe. Could you just explain to me the process that is followed if a person wants to put up his home quarter for collateral.

**Hon. Mr. Andrew:** — With regards to the waiver, I believe the question was. As it relates to how the Act works, I think that was your question.

If there is the basic prevention of a foreclosure action on the home quarter for all intents and purposes for a period of three years, the problem as we set out last year was that supposing the farmer says, I want to build a new house on my farm and on the home quarter, or I want to build a new barn, let's say.

He goes to the bank or to the credit union for financing and they say, well we won't give you financing on that because basically we don't have really much security because it is exempted under the legislation, therefore we can't really take any security.

In order to avoid that situation, we allowed them to basically waive. What happens if the farmer wishes to waive that, he has to go to the board and the board go out and make sure that he understands in so waiving what he is in fact doing. And the board has to give approval in order for them to do that.

There has been a number of these, as you can appreciate. If people are wanting to build something on their home quarter, they need that release in order to carry on with it.

**Mr. Upshall:** — Mr. Minister, in the process that you go through to . . . or you people went through to use the waiver to use their home quarter as collateral, was that . . . were the rules, or was the form changed from the original form on the waiver to, I believe it was some time about a month after the Act was put in force, was there a change

in the form or the procedure you went through to get a waiver?

**Hon. Mr. Andrew:** — As I understand, the answer is that we in the department are unaware of that. It's a form that would be used over in the Farm Land Security Board. It's not a regulated, or filed in regulation, the form that is used. So whether they made some adjustments to the form, I'm not aware of it. But clearly that's a possibility. I can certainly attempt to find that information out for you. Perhaps you could advance to me the gist of what the change that you're suggesting was, and the problem with it.

**Mr. Upshall:** — The problem was that there was a change in the form. I, from personal experience, know that. And I guess that leads me to my next question. What is the average length of time that it took from the time that the farmer went into his institution to apply for the waiver and before that waiver was granted? How long would it take?

**Hon. Mr. Andrew:** — I am advised that the rule over there would be the turnaround time is at a about a two-week period. So it's down to . . . and perhaps when we first started it was a little slower, but I'm advised that it's about a two-week turnaround period.

**Mr. Upshall:** — Yes, it was regrettably a lot slower when it began, and put a lot of hardship of many people who were applying for that waiver, combining with the fact that the forms were changed.

Now, Mr. Minister, I want to now turn to the judgements on foreclosure cases. Were there any instances where a farmer was foreclosed upon, on his home quarter, who had not signed a waiver? Do you understand the question? Were there any instances where a farmer who had in the past mortgaged his land, including the home quarter — and the exemption in your Bill last year said that he had a three-year exemption on foreclosure — were there any instances where action was taken actually on the home quarter, even though he had not signed a waiver?

**Hon. Mr. Andrew:** — Do I understand you properly the following way: once the legislation was passed and proclaimed and came into force, it came into force at that point in time; then even if an action had been in the process of being foreclosed upon, in a variety of stages, the three-year rule still came into play for those. It didn't come into play just for those that were commenced after the Bill was proclaimed. That was what the law is.

Now you're saying to me, is there any cases where that law was disregarded by the court. I'm unaware of it, and certainly, if there were, the courts were made well aware of what the law was, and so in my understanding is that there hasn't been.

Now there could be some case — I'm not aware of all the cases and any judgements on any of those cases around the province; I mean, I could stand to be corrected. I suppose we could do a search of all the judgements and find out whether that was in fact the case, but it certainly hasn't been brought to our attention.

**Mr. Upshall:** — You are saying that there's a possibility that could happen. Now if your foreclosure moratorium for three years was in effect, why would there be the possibility that that could take place?

**Hon. Mr. Andrew:** — I think that in the legislation there was a right to say that in the event that an individual showed bad faith — and certainly there was a bad faith provision as it related to the lender; there was also a bad faith provision as related to the creditor — and if the creditor absolutely showed bad faith or no . . . you know, never even tried, then there's certainly a rule in the law, in the Act, that allows that to come into play.

**Mr. Upshall:** — Mr. Minister, have you been . . . are you telling me that you haven't been monitoring the judgements that have been taking place to ensure that the law or the legislation that you have in place, that the judgements are either acknowledging the laws, or if there's any discrepancies in some of the judgements taking place. Have you been monitoring the judgements on foreclosures?

**Hon. Mr. Andrew:** — Personally, do I monitor the judgements? The judgements come to the Department of Justice. The Department of Justice lawyers monitor the judgements as they come through. If there's something out of the ordinary they would then alert me. But that's the process by which that would be done.

**Mr. Upshall:** — Well, Mr. Minister, in my experience The Saskatchewan Farm Security Act of last year fell very much short of the rhetoric that was behind it when your government introduced it. And the clauses, the amendments in this Bill 74, for the most part, are clauses that are housekeeping and don't affect it very much.

So I really don't see how it's going to help the farmers of this province. But as I said earlier, in the event that it may, in the event that any of your Acts will help the farmers, I would be quite willing to let this proceed.

**Hon. Mr. Andrew:** — Yes. I did not hold this legislation out as anything more than correcting a couple of small problems we saw in the Act, and that's the intent of the legislation.

I think the hon. member has to at least advance this: that the mediation process, while perhaps it's not successful in all cases, certainly there's been a number of cases where it has been successful and that mechanism has in fact worked. And I think that it's something that can work in the future, properly done.

There was, when this legislation was introduced, quite a concern raised by some of the financial institutions, the credit unions, etc., that this would dry up credit. And I think as they have seen the legislation unfold, many of the concerns by, certainly, the credit union — and I met with a lot of them — seems to have dissipated a bit.

So I thank the hon. member for the manner in which we conducted this Bill through Committee of the Whole, and I appreciate that.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

## Clause 7

**Hon. Mr. Andrew:** — Clause 7, I'm advised that there would be a change in clause 7 in the definition of "child", and it will be replaced with a clause "son or daughter." I don't quite understand the legal necessity of doing that, but they advise that that should be done, and I'll send this House amendment over to the hon. member.

I'm advised that the reason is that "child" as a defined term would have to be under 18, and that by putting "son or daughter" that allows the waiver to be transferred not only to the ones under 18 but also to the ones over 18, and that's the intention of it.

The other change in 7 would be to:

Amend subsection (1.4) of the Act, as being enacted by section 7 of the printed Bill by striking out "receipt and terms of the notice" and substituting "receipt of the notice and terms of the offer."

I'm advised that's a grammatical change there.

Clause 7 as amended agreed to.

Clauses 8 to 16 inclusive agreed to.

The committee agreed to report the Bill as amended.

**The Chairman:** — I thank the minister and his officials.

(1545)

## Bill No. 69 — An Act to provide for the Financial Stability of Agriculture

**The Chairman:** — Order. The item of business before the committee is Bill No. 69, an Act to provide for the Financial Stability of Agriculture, and ask the minister to introduce his officials.

**Hon. Mr. Devine:** — Thank you, Mr. Chairman. I have with me Mr. Jack Drew who's deputy minister, Agriculture and Food; Stuart Kramer, assistant deputy minister; Terry Scott, manager of research and economics branch; Brenda Machin, research economist, economics branch; and Doug Lisle, director of economics branch.

## Clause 1

**Mr. Upshall:** — Thank you, Mr. Chairman. Mr. Minister, the problem that I have with this Bill is the fact that most of it is prescribed in regulations, and I could give you a number of examples of that. For example, section 31, 10 of the 13 sections as prescribed in regulations, and it goes on and on.

Mr. Minister, I would just like you to explain to me how you feel that you can bring a Bill talking about farm financial stability before this legislature with absolutely or very little of a substantive nature. How are we supposed

to debate the Bill when the regulations are going to be prescribed by the cabinet at some point in the future?

How do you expect farm groups, farmers, to know what's in this Act when there is nothing in it to debate when you and your cabinet can decide what the program is going to be, when it will start, when it will end, who will qualify, what the definition of a producer and all that type of stuff will be? Can you explain to me, why did you bring a Bill forward with such little substance in it?

**Hon. Mr. Devine:** — Mr. Chairman, the hon. member asks a very good question with respect to the role of legislation and regulations and the combination of things that takes place between cabinet and legislation. This Act continues the consolidation of agricultural related legislation which we initiated last year with the passage of The Saskatchewan Farm Security Act, so all of the pieces of legislation that are in place in the province of Saskatchewan to protect farmers will be contained in a place where the public, the farmers, and communities, opposition and others can have access to it.

For example, the . . . and that doesn't rule out that there will be modifications in regulation from time to time that are done by cabinet. That goes on all the time with respect to almost every piece of legislation that we bring forward in here. But just for your guidance, and I'm sure you probably have a list of this, and some of them can be modified to some degree and there's some flexibility due to regulation, but most of it will be laid out, simplified clearly in this Act.

The Farm Financial Stability Act will combine farm finance legislation consisting of — and I'll just give you the few: The Farmers' Counselling and Assistance Act, which is extensively used and has regulations; The (Saskatchewan) Beef Stabilization Act; third, The Saskatchewan Agricultural Returns Stabilization Act; The Farmers' Oil Royalty Refund Act; The Feeder Associations Loan Guarantee Act; The Livestock Facilities Tax Credit Act; and the Livestock Investment Tax Credit Act, as well.

Now by providing all of this in one place, and the regulations that go with it, any individual in Saskatchewan can go down through this legislation and say, here is the protective safety net for farmers. And it's in one place, in one Act. And I don't know that we should ever preclude us modifying it from time to time — we certainly can by modifying the Bill — but it does consolidate all of that information.

So if you're going to an agricultural representative or some of the rural service centres or in your own home and you have the piece of legislation, you can go down through it, plus regulations, which would facilitate the safety net. So it is to provide a concise summary of the legislation to protect farmers in one spot so that they can look at it.

Now some things you might rather have in legislation and some maybe in regulation, and depending on Acts, it varies; they're not identical and they're not all the same. So I share your thought that some flexibility is there with respect to some things that the cabinet can do through

regulation, an order in council. But that's always the case. Most legislation has that. So I don't think it's unreasonable to think it wouldn't be the case in agriculture.

And finally I would say, in the case of agriculture, there are so many diverse situations, so many different kinds of farms, so many kinds of farm situations, that when you're dealing, for example, with the feeder association loan guarantees or facilities tax credits or a beef stabilization program, there's just no end of combinations of relationships there between family members and others.

And you want some flexibility so you don't have to have the legislature in session, in fact, to help out people. So it's not to get around the Act at all, it is to provide the flexibility to make sure that this Act consolidates it all so that we can deal with it in an efficient fashion and so it can be better understood by the public.

**Mr. Upshall:** — Well, Mr. Minister, you may call it consolidation, but the point I'm trying to make is that while you consolidated the Acts, which is true, you, in your consolidation, you've even taken some of the substance out of the old Acts. And a good example of this is the section . . . in part V, section 21, where in the old Act it was specifically related to the beef stabilization program. And in this Act, the commodity . . . and I'll just read from the Act:

“commodity” means any prescribed agricultural commodity or class of agricultural commodities.

Where in the old Act the definition was absolutely there, and there's no doubt about it what commodity meant. But commodity here means whatever you want it to mean.

My point is that we have to become . . . you can't just bring these Bills forward and have the people of the province accept them without the definition being there, without some content in the Bill. And I guess the question I would ask is: what do you mean by commodity in part V, section 21, article 21?

**Hon. Mr. Devine:** — Well again, I'll just say to the hon. member, there's much encouragement — put it this way — for diversification in agriculture, new crops, specialty crops, more processing and manufacturing. And under the old Bill, when you say it is just for beef, you're restricted in terms of your capacity to help farmers and provide that safety net into many new products that they're getting into.

Now I suppose there's some risk and, if you will, political risk, that if you help some farmers that were into new crops and specialty crops, and there might be a new kind of peas, or new kind of lentils, or a new kind of potato for the potato salad that we're making at Delisle, or whatever that may be, that we decide to provide some stabilization or some help in.

But generally we just want the flexibility to provide that safety net to farmers who produce many new products and many new items of agriculture, food and agriculture, that they didn't use to before. As we make more doughnuts, as we make more, as I said, potato salad, as

we make various kinds of meat products, as we make cereals, noodles, pasta, from just the straight grains and from other things, we may be growing different kinds of products. And if we are, we want to be able to help them out as well with the flexibility. If it's a concern, I'm sure the opposition and others would raise it in the legislature if we were sitting and when we are sitting.

But the House normally sits 60, 70 days a year, and the rest of the time government goes on, so it's just to accommodate that kind of flexibility. It removes the restriction on the specific commodity so that you can deal with new products.

**Mr. Upshall:** — Well, Mr. Minister, I mean, it may provide flexibility for the government, but what the farmers in this province have been talking about for months and years now, is, we want stability of programs. Have you not heard them say they want stability of programs? How are they supposed to know if their specific commodity in this Bill . . . How are they supposed to know if their commodity is going to be covered by this Bill? You will decide.

What kind of stability is that for a person who wants to diversify, in your words, diversify the province. How are they going to know if their product is going to be involved in your program? They won't know. You provide no stability. What you're providing is the flexibility for government to decide what's in, what's out. And that is the total opposite direction that we should be going in agriculture in this province.

I mean, you talk about the diversification and stability and all those wonderful words which sound fine, but the facts are here — you're taking away the stability. You are not providing stability, you are providing the opportunity for you and your department to decide who's going to be stabilized and who isn't. Well where does that leave the farmer?

The question I asked you, Mr. Premier: how would I, as a farmer, or any other farmer in this province, how would I go about knowing what products will be covered, and is it possible that products that are covered at one point in time, because the commodity is defined in regulation, that that product, is it possible that that product that was once covered would not be covered in the future?

**Hon. Mr. Devine:** — Well under the previous legislation, if you defined a commodity beef, you would know that if it wasn't beef, you weren't covered — only beef was covered, so everybody else isn't unless it's specified. Under this combined legislation, you can be covered without coming to the legislature. And if you come to the Minister of Agriculture or if you come to your various agriculture representatives and say, I have a new product and I would like you to consider that, then the cabinet can consider it before the legislature sits, which gives it the flexibility to include more products.

So under the old one if you said, well it's beef and that's all there is, everybody else knows clearly they're not in, and that's the way it's been for a long, long time. Under your previous NDP administration, that's the way it was; and under our administration, prior to now, that's the way

it was.

And we said, well why don't we — and we've had encouragement from farmers, ranchers, those that are in agriculture — at least open it up so that if in fact we want to make representation, that we can have the same sort of security as anybody else. I mean so it's not designed to restrict, it's designed to be completely open.

(1600)

Now the only way that you're going to get into any, I suppose, trouble politically is that you open it to specialty crops and unique crops, and somebody says, well these are a new fancy cucumber or the new fancy something else, and I don't think that they deserve it; or it's a speciality flour product, or I'm not sure what it might be. But generally it's just to accommodate people who have specialty crops and new crops, new ideas, so that they could be covered under the legislation.

Under the old, they're out; they're out until you bring it back here. Under this legislation, they're in if we believe that it's something that's doable and reasonable, and we don't have to pass a piece of legislation every time.

Now if you list commodities, we'll probably miss some because there's new commodities being developed all the time. So this allows for that flexibility. And as I said, with farm service centres, agricultural representatives and others — commodity groups, elevator companies, co-ops — they can suggest commodities that could be included, and we can do it because we now would have the flexibility.

**Mr. Upshall:** — This allows, Mr. Speaker, for somebody to come into your department with a Tory card in their hand and say, I have a commodity, and it would be accepted; and somebody to come into your office that doesn't have a Tory card, that it means it won't be accepted. And this gives you the power to include any commodity you want.

And I think that's the reason you haven't been specific here — to give yourself the latitude and not to provide stability in the agricultural community. If you wanted to do it your way, why didn't you simply list the number of commodities, the major ones now, define commodity, and in the future if there were some commodities that should be added, then add them. I mean, if you were up front about it, that's what you would be doing. Mr. Minister, why didn't you do that?

**Hon. Mr. Devine:** — Mr. Chairman, I said to the hon. member this was to provide for the flexibility so farm groups and farmers themselves or universities or co-operatives or elevator companies or other people that are developing new products and have new products for farmers could have them included in this, have them included, not excluded. And you could list products today, and there are products being designed and products on the market as we speak, that are coming on. And they can't wait for the legislation because, I mean, to be fair, we might be debating it for 60 or 70 or 80 or 90 days or 100 days or 300 days.



This legislation just provides a flexibility so that they can be here. And I resent the argument that you get into the partisan nature. This is not partisan and you know that it isn't partisan . . . (inaudible interjection) . . . Well the hon. member wants this . . . Look, I just say, Mr. Chairman, this has been suggested by agricultural groups, agricultural groups that are represented in Humboldt and in Watrous and in places across Saskatchewan that you would know, that want this kind of flexibility. That's what they'd like to have and it's designed for agricultural producers. They have suggested so that we can deal with it on a reasonable basis — and you always stand accountable for the commodity. And I'm not sure that you have any commodity that I know that only one particular political party only grows that crop. I mean, so that, you know, that's a . . . (inaudible interjection) . . . Well the hon. member said maybe it's Tories growing cucumbers down East.

You know, I mean not everybody and all political persuasions are in the livestock business and in the wheat business and in the lentil business and peas and other things. So to say that there's only one political party would have one commodity, I'm not sure that that would be the case. So it's designed for the flexibility because farmers have asked for it. There's no more or no less than that.

**Mr. Upshall:** — Well, Mr. Minister, I made that case in point because you said that if somebody came to us and said they had a particular commodity, then that could be included.

Anyway, specifically, Mr. Minister, you said that there was groups in Watrous and Humboldt who were asking for this. What groups were that?

**Hon. Mr. Devine:** — Well, Mr. Chairman, farmers who have made representation to us, who grow specialty crops and that may belong to the wheat pool, they may belong to the canola growers association, a group that belong to the livestock association, belong to specialty crops, the pulse crop — they're all across Saskatchewan and I suspect, as you know, from Humboldt, which is the mustard capital of Canada — and other specialty crops, that they would appreciate having access to legislation like this so that they're not excluded. And that's the whole reason for this, so that if it seems reasonable and you have a group of producers that are growing a commodity and a specialty and have a niche market and have done well in it and want the same benefits that others do, that they could receive that benefit.

So some of the best specialty crops that we have seen, and certainly some of the best processing . . . take Humboldt Flour Mills — Wilf Chamney and some of his people have designed and put the world of Saskatchewan in the mustard business, on the map, globally. And they deserve the same sort of credit and the same sort of access and the same sort of flexibility and co-operation, that if you're prepared to take some initiative and try a new commodity, we just, as I said, want the flexibility to deal with it.

**Mr. Upshall:** — Well, Mr. Minister, it provides you with flexibility, that's right, but my point is it provides no

stability in the system. Are you saying . . . Did the wheat pool in Watrous, for example, ask you to broaden the definition of product?

**Hon. Mr. Devine:** — Mr. Speaker, I said that producers and producer groups who would be from areas like Watrous and Humboldt, because that's your riding, that may belong to and do belong to the wheat pools and to the United Grain Growers and to the barley growers association and the mustard growers association and the pulse crop growers association want the flexibility. They've asked for the flexibility. Some of them are your own farmers. Some of them are my farmers in my part of the province — all over, all across Saskatchewan. So they don't see any problem with this.

Farmers have encouraged us to say, put this all together so that I know where to find where the legislation is, a summary of all the . . . I think the regulations are published. So the Act is published, the regulations are published, and then here's how you may be included. You know that you are excluded now, but here's the mechanism that you could be included. So it's designed for farmers and farm groups that have said, please provide the flexibility.

**Mr. Upshall:** — Well I think the operative word there is "could," Mr. Minister. I mean, you can talk to me about this is designed for farmers, but be realistic. There's a reason why in this example the word "commodity" was not defined. That's to allow you to manipulate and manoeuvre the program, and that's the only reason it was there. And if you'll provide me with any documents from the representation from farm groups that specifically said that no, they didn't want that commodity to be specifically designed, I'd appreciate that. Would you be willing to do that?

**Hon. Mr. Devine:** — Mr. Chairman, I don't have names or representation. Farmers have talked to us and said, please allow me the flexibility to be included. If you just specify a commodity, then everybody else is excluded. And then you would . . . I would say in fairness to your argument, then you'd come back and say, well why didn't you include this and why didn't you include that?

And it's sort of like listing all the rights people have under the charter of rights. I mean, right, we'll list them all, and then we go on and on and on and on and on and on and on. Right? And then if you start to rank them, then you've obviously got a problem. Then you say, if you want to list all commodities of food and agriculture that could be stabilized, I mean, we could have a pretty good discussion. Which ones come first and which are more important and why didn't you include this variety of this or this special breed of this, and why didn't you include this in the poultry business, and why didn't you exclude that? I mean, we're just saying we can include them all, and the new ones that are coming on, to give them the security that is in this Act. So it doesn't . . . This is to allow them to participate, not to keep them from participating.

Under the Act, as it was when we took office and that we have been operating on, it excludes everybody else. And they said, we don't think we should be excluded because we're growing a brand-new variety and a new crop or a

new product, as I said, making potato salad from potatoes or whatever it might be — in the next year it might be something else; it might be rutabagas, I don't know, or turnips or something — and we can include it, and we don't have to be in here passing commodity by commodity by commodity through the legislation.

I don't, frankly, see the down side to that flexibility. Certainly, if we include one, you can ask me about it the next time the House sits. And you can say, well why this one, and how many farmers are in it, and where are they from? Obviously it's public. So I really think it provides the flexibilities the farmers would like to see.

**Mr. Upshall:** — Mr. Minister, obviously in considering this Bill, you should have had talks about what price, what commodities will be included. Could you give me a list of . . . just name some of the products that will be included.

**Hon. Mr. Devine:** — Mr. Chairman, I am advised that the previous Act on stabilization, The (Saskatchewan) Agricultural Returns Stabilization Act, was very general before, and it used the commodity definition, and that was not changed. And all the things that were brought into that were done by regulation under the NDP administration.

And today we have in things like honey and beans and pork and beef and sheep, were done by regulation, and certainly could have been done by regulation, or others could have been done, because it was a general definition of commodity. And then the government of the day could bring them in. With the generalization we're making with the The Feeder Associations Loan Guarantee Act, we are just providing the flexibility so that we can broaden it so that it isn't just feeder cattle.

And I don't know why under, you know . . . If an NDP administration could use the general definition of commodity and include new things under commodity, because you were not specific and your administration was not specific, and you brought them in and you could bring in lots of them, you are, if you will, sort of flying in the face of the way you did it, because you were not specific. And then as you brought in others, it was fine because it was under the general definition of commodity.

So you asked what other possibilities might come in here in terms of loan guarantees and stabilization. I mean, it might be . . . and we've had interest shown, some interest shown by pulse crop producers, maybe a variety of vegetable growers, a possibility maybe of wild rice and other specialty crops that we are developing.

(1615)

And certainly the general definition under the . . . sort of the original Act on stabilization, called The (Saskatchewan) Agricultural Returns Stabilization Act, was quite functional, from what I'm advised here, for years, as it was introduced.

So if you're providing some criticism why we're making it general with respect to the feeder association loan

guarantee so we can expand it beyond feeders, you would have to, to be fair, level that criticism against the NDP administration that used it, I'm advised, for quite a period of time. So it's just . . . again, under various kinds of stabilization we have honey, beans, pork, beef, and sheep — possibilities of people who might want to participate in either stabilization or feeder . . . or loan guarantee programs. They range from a large . . . say, from pulse to vegetable crops to perhaps some other forms of agricultural production.

**Mr. Upshall:** — Mr. Minister, will cereal grains or oil-seeds be included in this definition?

**Hon. Mr. Devine:** — The grains and oil-seeds now are covered by the Western Grain Stabilization Act, WGSA. And normally when you join the national program, you phase out or don't do provincial programs. We find that in the meat stabilization and others. So it would not be likely that you would have a provincial program when you've got the national program. We are in the process and have just joined recently the hog program. So you phase out of your provincial one and you join the national one, and it has some benefits because of its strength and stability. It's shared three ways, it's tripartite: the federal government pays a third, and the farmers do, and we do, then it's less of a premium. It is better financed, a little stronger.

So you wouldn't likely see the piggybacking of stabilization programs, because at least from my experience we've found that when you go to the national one you phase out of the local one.

**Mr. Upshall:** — Well there's a little bit of inconsistency there, Mr. Minister, because you suggested that pulse crops could be included, and they are included in the grain stabilization programs. So I find that a little inconsistent. That's why the point I'm making is the need for predictability of the programs, and it's just not provided here.

I want to turn to another point, Mr. Minister. In section 3 it gives the minister about as broad as powers that could be imagined relating to making grants, loans, or other financial assistance to any persons, institutions, or other bodies in Saskatchewan. Would corporations be included in that section?

**Hon. Mr. Devine:** — Yes, Mr. Chairman, farm corporations, co-op farms, are also included in the legislation.

**Mr. Upshall:** — You said farm corporations. Does that specifically rule out the possibility that any corporate agri-business, any agri-business corporation . . . does that rule out agri-business corporations?

**Hon. Mr. Devine:** — The legislation does not discriminate against the people involved, it focuses on the activity. So if you have people involved in an agricultural and food activity, like you have new breeding stock development in the pig business or something else; it can be a business; it involves farmers; it involves people in the marketing of the commodity, and they might, for example, apply. And they're under the heading of an agricultural corporation, not necessarily a farming

corporation but an agricultural corporate because they're in the business of producing livestock, in this case.

And you may find that in the specialty crop areas as well, or more processing. As we move from just growing crops into growing more processed product, then you have agriculture and food activities that may be involved.

You look at the feeder associations, it is taking the feed and putting it into livestock so that in fact you can make a product that is closer and closer to the market. And you may find that the agriculture corporations that are involved have a combination of people there.

So it would not discriminate on the basis of it just has to be farming *per se*, as long as it's associated with the agriculture production and the productivity of a particular product.

**Mr. Upshall:** — So you're saying then that any corporation involved in agriculture in any way will be included in this program . . . could be possibly included in the program.

Mr. Minister, because of that it seems to me that the amount of dollars that will be involved in the program will not necessarily be going to farmers. Now I think that creates a major problem, because what we're doing is broadening the scope and allowing other corporate interests to get involved in it.

And the problem there then is that the amount of money available through this program to farmers could be reduced, and that's the problem. Because if your budget only goes so far and you're broadening the scope of who can participate, how do you explain that farmers will be assured that they get an adequate amount of money?

**Hon. Mr. Devine:** — Mr. Chairman, the hon. member raises an interesting point. What we are finding today is that farmers in many, many cases are looking for people to co-operate with them and joint venture with them, whether it's local elevator companies or whether it's agri-business or whatever it might be, research organizations, the university, the government, to do various kinds of new agricultural initiatives.

And I don't think . . . and I certainly for one would not want to rule out that, if you will, using the terms that have been batted around in this House, that mixed combination of private sector and the farmer and the co-op and the university and the provincial government or Crown corporation or others being involved in the production, manufacturing, and processing of food and agriculture commodities.

So I think it's . . . and I really believe that when you look at, let's say, off-farm income, you will see in legislation that we are proposing here that we say, fine, it's okay to have off-farm income. And somebody might be working at the power plant in Estevan and also paying for the home quarter. And we're recognizing that and we're saying, we'll still be there to help you even though you're working downtown or working at the power project.

Off-farm income and the diversification of agriculture

and food income is a fact of life, and the more players we have involved, I believe the healthier and stronger it will be. So this would not necessarily exclude, for example, a co-operative that is working with farmers setting up a feedlot. It might be ranchers, farmers, the Saskatchewan Wheat Pool, or UGG (United Grain Growers), or somebody else that is involved in putting together an agricultural operation.

And the farmers like the stability, they like the continuity of supply, they like to have a big player like the co-op involved with them for some financial security. And they do it as a partnership, and if that can help us produce hogs or beef or specialty products, we have not designed this to exclude them, and it certainly will add to the financial base that is brought to the table, not diminish.

So I just make that point with respect to your suggestion that this would reduce the money going to farmers. I would take exactly the opposite case. If you include agri-business, it enhances the money going into agriculture that can be used to help farmers invest and build and process, manufacture, and develop into specialty crops.

Farming today is much more than just growing wheat and hauling it to the elevator, and I'm sure that you're aware of that. And more and more people — and you were with me at the PAMI (Prairie Agricultural Machinery Institute) exposition last week — and farmers there know that the research and the technology and the diversification and the processing and the manufacturing which involves the private sector, co-op sector, university, federal and provincial governments, Crown corporations, offshore people and others, all working together in a co-operative approach, is necessary for agriculture to do well and prosper here in western Canada.

So we have not excluded people who were in the agri-business sector, whether they are large co-ops, or whether in fact they are people involved in food processing as it exists today.

So it's to provide that access to security for farmers, even if they want to do joint ventures with other people.

**Mr. Romanow:** — Thank you very much, Mr. Chairman. My question is to the Minister of Agriculture, obviously, as we consider this Bill clause by clause. But I wish to preface my question or my remarks by saying, Mr. Premier, Mr. Minister, that this Bill, in my judgement, is a very badly drafted Bill and holds with it the potential for a great deal of abuse.

I want to begin to illustrate my point by reading to you, sir, and to those who may be watching this debate, one section — but there are many — but one section which highlights the point that I wish to make. That's section 3, right at the very beginning of the Bill. Section 3 says:

The minister, for any purpose relating to the financial stability of Saskatchewan farms, may provide financial assistance by way of grant, loan or other similar means in accordance with prescribed terms and conditions to any person, agency, organization, association, institution or

other body within Saskatchewan.

Now there are at least three areas of that section which I think beg for some clarification, either statutorily in this Bill, or by way of a regulation.

Mr. Premier, I relate your attention to the words in section 3 as follows:

The Minister (that's you), for any purpose (quote) relating to the financial stability of Saskatchewan farms . . .

What in the world do those words mean — “for any purpose relating to the financial stability of Saskatchewan farms”? What may you do? You may do, if and when this Bill is passed, you may “grant, loan, or other similar means” of support. What is “other similar means”?

And then you have that you can provide that support in accordance with terms of the regulations to any person. I underline the word “any” person. We're not talking about family farms or farmers, nor are we talking here about farmers who have organized themselves in co-operatives or in corporate entities. We may be talking about them, but we're also talking about “any person, agency, association, organization, institution or other body” in the province of Saskatchewan, remotely or lack of closeness, directly or indirectly, falls within this jurisdiction.

Therefore, the portrayal of this Bill as being a Bill somehow for the financial stability of agriculture in the context of that farmer, be he or she into bee keeping or into the growing of grains or wheat, is not a full and accurate representation of what this Bill does. The scope is extremely wide.

And it's complicated by the fact, as well, that if you look at section 84 of the Bill toward the end, you see here that:

The Lieutenant Governor in Council (that means the cabinet, that in effect means you) may make regulations:

(1630)

By the way, the Bill is laced with this kind of a power in the hands of the cabinet. You may make regulations to do what?

(a) defining, enlarging or restricting (defining, enlarging or restricting in the secrecy of the cabinet room), for the purposes of all or any part of this Act, the meaning of any word or expression used in this Act but not defined in section 2;

And then later on in sub (e):

prescribing any other matter or thing that is required or authorized by this Act to be prescribed in the regulations.

Not only does this Bill authorize the regulation-making power, this Bill authorizes regulations to make regulations. It allows the cabinet, or the Minister of

Agriculture, to define any word. The definition may be the ordinary English definition of the word; it may be a political interpretation of the word.

There are other examples of the point that I wish to make about badly drafted. I'm going to make this in a larger observation.

But I find this Bill, for example, beginning with the power of the minister in section 3 that I've described, if you go through the Bill, you will see on other occasions other authorities in other agencies. For example, under section 24(1) on page 12, the treasury board is involved. How? By making orders and directives respecting the financial operation of the fund.

Now that may be a normal procedure for the treasury board to carry out, but the terms and conditions of the operation of the fund of the treasury board, another entity, separate from you, separate from the cabinet, may very well, by the implementation of the restrictions and the directives in the orders, have a direct impact as to how and what purposes the funds or the arrangements that may be struck can or cannot be done.

And then of course there are a myriad, there are tens of sections where cabinet is instructed — instructed — to give the freedom to decide, behind the secrecy of the cabinet room, any of the terms and conditions with respect to loans or guarantees or any financial operations which are designed here by this Bill to protect.

Now you tried to justify to my colleague, the critic for the Department of Agriculture, the member from Humboldt, that the purpose for this flexibility is to try to incorporate the burgeoning activity of farmers in a variety of commodities. You could very well have had that definition limited in the Lieutenant Governor in Council or in the cabinet's regulation of the power. If that's the problem, because farmers are diversifying — which I think is a good development; we should be encouraging it — fine, you could do that by way of flexibility.

But you haven't done that. You've done that, but you've done a lot more. It's not only flexibility as to who gets in under the scheme or schemes, it is flexibility to the extreme, almost to the ridiculousness, as to who gets the assistance; under what terms and conditions the assistance is given; under what terms and conditions the repayments are made; under what terms and conditions the appeals are made, and those are essentially and almost exclusively, sir, in your hands.

**An Hon. Member:** — You're agin that.

**Mr. Romanow:** — Pardon me? I am agin that. You're doggone right I'm against that. I am against that.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — Because I don't care how well motivated and how able a Premier may be or a Minister of Agriculture may be in the field of agriculture, no matter how well-intentioned he is.

You people may be the perfect people in agriculture — I

don't happen to buy that for a moment, but you may very well be — but governments come and governments go, and you're going to be leaving legislation like this for subsequent governments. I say that even if we are the government, this puts an inordinate amount of power into the government's hands, and it can't be justified on the basis that it's been done before in the past. It may have been done in the past. This is a wild extension of what goes on here; of course I'm opposed to that.

And I'm surprised, frankly speaking, that a Conservative member of this legislature, like the member from Saltcoats, who said that I was opposed to this, would endorse this kind of authority. I ask the hon. member from Saltcoats to ask himself what he would do if this legislation was given to us and we were the government of the day in power. You would be opposing it?

And I say to the Hon. Premier, the Minister of Agriculture, that the intentions of this Bill may very well be worthwhile, but the scope and the power which has been designated to you, sir, and has been designated to the cabinet and the treasury board — but leave the treasury board out of the picture — they're all the same people, they're all the political people.

The Premier, the cabinet, the treasury board, they're all the same way — as somebody says here, indicates it's a government drunk with power, intoxicated on power, intoxicated with the belief that somehow you people know best what's the best arrangement with respect to the finances of any agricultural product or agricultural stability program which may be needed, or any kind of an agricultural stabilization plan which may be needed.

And I say with the greatest of respect to the Premier, that just ain't so. Nobody is the repository of that amount of wisdom, none whatsoever. The trick always, in legislation, is to balance the need to have specifically designated laws carefully set out by way of words, so that the farmers, regardless of political ideology, regardless of their individual needs, can come with some sense of fairness to be dealt with, on the one hand, versus the other objective, which is flexibility for you to do your day-to-day job. I understand the need to do the day-to-day job. I think the balance has, however, been tipped the other way. The balance has been tipped to the point now where this Premier and this cabinet has all of the power and the capacity to advance funds to anybody that it sees fit as long as:

... it is for a purpose relating to the financial stability of Saskatchewan farms.

Now perhaps my concerns can be eased a little bit, and this is my question, if the Premier will tell the House and tell me whether or not the regulations are now in place — the draft regulations — are now in place, which will come into place on the implementation of this Act; and in particular, if they are, whether he will table them, the draft regulations. Will he table them? And in particular, in order to deal with this aspect of the Bill before we move on, whether or not the concerns that I raise with respect to the words "financial stability," "similar means," "any person," whether those regulations circumvent or curtail, at least put some parameters on, the scope of what you

intend here. Do you have those regulations and can we have them?

**Hon. Mr. Devine:** — Mr. Chairman, in the draft regulations, as the hon. member knows, you can be as specific and as defined as you would like to be. We haven't a final copy of draft regulations, but the hon. member, I'm sure, knows that you can be quite narrow. And they will be subsequently produced, and I don't have them with me, and we have some drafts, but you can be as specific as you'd like.

The reason that we want, and I think and I believe that the farmers want, the flexibility is that if you get something like — and we got it, we have it now, The Feeder Associations Loan Guarantee Act — if you go to other commodities that want loan guarantee Acts, you have the flexibility to deal with that. So if you even put in regulations, can you have more than 5,000 head of feeder cattle — well if it was turkeys or if it was something else as different numbers, different kind of operation and you want that kind of flexibility.

This is not ... and the individuals involved. And the hon. member says, well, you know, regulations with respect to any person. Well the people are combinations of people that we find now that are getting into food processing, food manufacturing, working with farmers. Should we include or exclude, you know, the United Grain Growers or the Saskatchewan Wheat Pool; should we include or exclude Canada Packers; should we include or exclude Intercontinental Packers; should we include some farmers and not others.

I think, and certainly I believe that if you're going to set up the loan guarantee Act so to comply to food and agriculture ... and this feeder associations loan guarantee is very popular, as I'm sure you're aware; a lot of people use it. We have no end of applications because the government provides the backing for agricultural people to expand in the processing and the value added business. It's so popular that we want to extend it to people in other commodities. Now as I said to your hon. colleague, if we list a commodity, then the others are excluded, and every time that we want to include somebody else, we have to come back to the House.

So with respect to regulations, if ... I will certainly take it ... If the hon. member has suggestions with respect to our drafting of these regulations so that we can be, as you say, find the balance, that we have the flexibility to include new commodities and new situations, but have parameters that know that there is fairness and that there is this reasonable nature to it all, I'm certainly open to your best suggestions in terms of how you would like to see us draft these regulations or redraft them, because they can be very narrow, as ... And I'm sure that's your point, that you could have them as narrow so that you could, you know, be so narrow it would be non-functional. You don't want them that narrow, you want them reasonable. I want them reasonable.

This is only designed — I can only say that as sincerely as I can — only designed to provide loan guarantees to many, many more people that would like to have them, that are in agriculture, that aren't just in the feeder association

business. And they've said, by gosh, it's worked so well in feeder associations, provide us with umbrella legislation that will allow us to accommodate the similar kind of system for us.

Now obviously — and you've used a couple times the secrecy of cabinet, I mean, when we have OCs and orders in council, Lieutenant Governor in Council exercises its power, it becomes public. I mean, it be debated here, any association or any group that could have a loan guarantee will be public, so that we automatically know, or any cabinet knows that if you have some flexibility, it certainly won't be hidden and it will be very public.

But the draft regulations . . . I mean, on any suggestions you have with respect to accompanying or companion regulations that would go with this legislation, I would certainly respect your views on the kind of parameters that might be there or that you would like to see in there to keep it, as you put, the fairness in it so that it's flexible, but it's not so open-ended that people might worry about it.

**Mr. Romanow:** — Well, Mr. Chairman, I appreciate the Premier's suggestion that we should give some input, if we can, on the regulations. I don't think that we can do that, for obvious reasons. I think we can respond to the regulations.

But I have really here two concerns about this piece of legislation. One concern is the power which you and the cabinet have with respect to the purposes of this Bill. This is a very wide-ranging power which, I may say, Mr. Premier, in my judgement, is not justified by your explanation.

You say the regulations can be made to interpret the words narrowly. That is correct to say, but the reverse is also true. The regulations can be made to make it very, very wide-ranging, and moreover, the regulations can be changed very quickly. That's the inevitability of regulations — obviously one of the arguments as to why advance this Bill.

So I have a concern about the principle that farmers or farm organizations should be put at the mercy of a cabinet directive, which is basically what an order in council is, to determine whether or not they qualify for the purposes of the Bill, which is their financial stability.

I just don't think that that is the way to conduct public business. I don't think it's the way that you can engender confidence and trust, on the part of the agricultural community, that their applications and their concerns are going to be dealt with fairly and in an open way and in a stable way and in a permanent way.

And I do not believe that the Bill can be explained on the simple allegation or the simple plea of flexibility when one considers the enormity of the potential of abuse, accidental or purposeful. And I say this again without political stripe: put any other political party sitting behind the Premier's chair, or the Minister of Agriculture's chair with those powers; what government or what opposition party would allow this Bill to go through without some objection as we're raising.

For example, the way I read section 3 — I don't want to be too political at this moment on this Bill — but under section 3, the one that I started out with, I don't see any barrier, unless the regulations put it in barrier, for your government to enter into the financial arrangements with Cargill, for example, on the Belle Plaine proposed fertilizer plant, because conceivably it can be argued that that project is something "relating to the financial stability of Saskatchewan farmers". I don't happen to buy it, but that's what I think could justify the funding for that kind of an operation.

Which brings me to my second point — the first point is the power which is engendered, the secrecy behind the cabinet doors to you — which raises the second point: what is the objective of this Bill? Is the objective of this Bill to provide initiatives and incentives by way of support programs and guarantees for farmers to diversify and to get into a variety of areas?

(1645)

Or is the objective to provide stability, i.e., reduction of the current debt situation which the current farming situation faces, as we discussed in question period? Or is it both?

If it's both, let's just deal with the debt side for the moment. What is the game plan of the government in this regard? Under what guide-lines is it, that the government has in mind, a possible program of debt, if not reduction at least debt stabilization, that it seeks under this legislation, or perhaps other legislation for that matter — it might be not, I grant you this is not the only one — does the government propose to provide the solutions and the answers?

It's the jumbling of motives, the jumbling of objectives of this legislation which makes it a very much weakened Bill. And I tell you, Mr. Premier, you won't accept this advice from me — I know you won't — but you're buying yourself a peck of trouble. You're buying yourself a peck of trouble because you'll be saddled with the obligation of judging, on an individual basis, you and your deputy and your officials, but basically it'll be the two of you, on a myriad of applications and concerns. Whether they range from debt stability and debt reduction — just the simple job of saving the family farm — to new programs to aid diversification, you're going to be saddled with a set of *ad hoc* regulations and programs which, I tell you, are just going to put a noose around your neck.

I don't know why in the world politically you'd want to do that. I don't know why in the world it makes political sense to do that. My plea to you, therefore, is: is it not possible for us to see a draft set — recognizing that they're not permanent — of regulations which would at least ease some of the concerns which I raise. Maybe I raise these concerns from an alarmist point of view, not having the regulations in front of me. If we had the draft set of regulations and we compared the regs with the draft legislation, the two objectives that I raise, the two concerns I raise might very well be eased and attenuated. Will you do that? Why not do that? Table the draft regulations, and let's take an examination of where we sit on it.

**Hon. Mr. Devine:** — Well, Mr. Chairman, the key argument raised by the hon. member has to do with the flexibility and the power with cabinet because . . . and he went through the words in section 3 and later sections. I have to, and I will share with the hon. member, the Act respecting the Department of Agriculture, which was here, and when the hon. member was the deputy premier and operating, has the very same powers. And it says, and I'll just quote that:

The minister may, for any purpose relating to any matter under his administration or for which he is responsible, provide financial assistance with respect to any programs in accordance with any terms or conditions that are prescribed in the regulations to any person, any agency, organization, association, institution or other body, within or outside Saskatchewan.

Now that's the power that goes to the minister and the power that goes to the cabinet, and cabinets have been dealing with it for years — that you have, at discretion, some degree of flexibility so that you can, and if I may:

The minister may, for any purpose relating to any matter under his administration for which he is responsible, provide financial assistance with respect to any programs, in accordance with any terms (or to any terms) or conditions, that are prescribed in the regulations to any person, or agency or organization . . . in or outside of Saskatchewan.

Now that's pretty much . . . I mean, you know what I'm saying.

Under previous administrations, and I'm sure under administrations across Canada, when it comes to agriculture legislation and dealing with a wide range of farmers — and a wide range of farming operations and a wide range of relationships between farmers and community groups and co-operatives and business and others — that flexibility is there for a reason. And I'd venture to say that if you went to the Department of Agriculture in Manitoba and you went to the Department of Agriculture in Alberta or Nova Scotia, you would find very similar wording. They tend to follow each other and copy each other.

There's nothing different about this legislation that isn't already in the Department of Agriculture. So it's not designed for any, you know, political purpose. You operated, with greatest respect, and your ministers of Agriculture and the ministers before that and the Liberal administration and others, with the very same powers.

What this does is consolidate them and it brings something in like The Feeder Association Loan Guarantee Act, which is very popular, that people want access to.

Now with respect to the regulations, The Department of Agriculture Act has regulations that apply to a large number of things, and I have no problem in giving you my assurance that if you want to suggest, and we can go

through . . . look as carefully and as closely as we can with your critic or yourself or anybody else, on how you might like to look at regulated structure. I don't think we'd find a lot of argument on the regulations.

I don't have a typed out set of regulations proposed, but they will be similar to other regulations you've seen in agriculture that give reasonable flexibility with some parameters, as you see when you have SEDCO operations, that at certain levels you can do it one way, and then if it's a little bit more money, you have to go to the board of directors; and if it's more than that, it has to come to cabinet; and if it's more than that, you've got to come back and change the Act, or whatever the combinations are, to be fair.

So it's not designed for any other reason. It's based on previous wording that has given governments, consecutive governments, historic governments, the flexibility to help farmers.

So I would be glad to work with you and your colleagues on regulations that would keep it as traditional, if you will, as we've had, to provide that fairness, so that they say, hey, it's new legislation. It is a loan guarantee Act that has worked well on one commodity; perhaps it can work well in other commodities. And if we have regulations that know that it is balanced, I would be glad to work with you and would give you my assurance that I'm sure that we could co-operate in that fashion.

**Mr. Romanow:** — Mr. Chairman, I don't want to belabour further the point with respect to the regulations, although I will raise this from time to time as we work our way through our Bill. I must say to the Premier, I'm not impressed on the argument about the Department of Agriculture legislation, because the powers which are set out in any individual Act of that nature will be read within the context of the purposes of the Act.

The powers which are set out here in a separate Act — I'm not only referring to section 3; we will, as we go through this clause by clause, identify more specifically the other extensive authorities are of an entirely different nature. There isn't a department Act anywhere which establishes a ministry and a department that doesn't have a generalized wording of the nature that you describe; that's understood and accepted. What we're dealing here with is supposedly a new old Bill, or an old new Bill, where there is a consolidation of various current provisions and an expansion of the powers of the cabinet and the minister to decide these issues. Perhaps I can make my point more specifically when we get to the actual clauses to indicate what I'm trying to get at.

What I want to ask more specifically about the Premier, is whether he'd be kind enough under clause 1 to state briefly, for me and for us, what it is that the central objective of this so-called financial stability of agriculture Bill really is.

Is the central objective of this legislation to consolidate, as I heard you tell my colleague, the member from Humboldt, existing legislation, which means — and I don't mean this too critically — but virtually means nothing new except wider discretionary power in the

hands of the minister and cabinet with respect to regulations. Is that the purpose, or is the purpose to deal with the issue that we talked about in question period today with respect to the — and we don't have to focus on foreclosures — but the debt crisis, if I may put it that way?

Is it designed to put forward a program for debt assistance and adjustments, and if so, under what sections? And if so, what are the regulations going to say in this regard? Or is it intended to give incentives and programs of assistance to the variety of diversified new activities by farmers of the province of Saskatchewan? Or is it intended to do all three? What is the objective of the Bill?

**Hon. Mr. Devine:** — Mr. Chairman, the combination of stabilization programs and guarantees together build a safety net for farmers so that if you have the counselling and assistance Act and stabilization Act and loan guarantee Acts, it is the underpinnings that the farmer can look at in terms of legislation and say, this provides me with the backstop and the safety net so that I can go into, say, a feeder association operation, or in my beef operation, or various other commodities, that I can have stabilization. In other words, the peaks and hollows taken out of my industry — that it can help them.

Now when you include in that the fact that we have a counselling and assistance Act that will actually help people through that process, then you have a combination of things that farmers feel very secure about. Now let me add to that, that when you're looking at something that will help diversify, like the loan guarantee Act, that is also stability. You don't want stable low incomes, you want increase in incomes which is facilitated by loan guarantees that allow people to invest in agriculture and diversify so they don't have all their eggs in one basket.

People have said to us for years and years, and I'm sure they've said to your hon. members, we can't afford just to grow wheat any more and have all our eggs in the basket of just wheat, because if prices come down or if in fact we're hit with poor weather conditions, then your life is just tied to the wheat business. As you can process it into livestock, as you can make noodles, as you can do other speciality crops, as you can add to that, which is facilitated by loan guarantees so that you can diversify your farm and diversify agriculture, that adds income stability.

Now we have other Acts here — certainly with the agriculture credit corporation Act — that will help farmers face and cope with and through financial instability associated with drought and other things that we've been talking about today. But certainly the consolidation of legislation that provides stabilization, income assurance, guarantees for their farm, and guarantees for investment, lead to stability. Now that's stability of growth and stability of income generation, as opposed to stability at just one level.

So we have consolidated in two regards: one is The Farm Financial Stability Act, and an earlier one was The Saskatchewan Farm Security Act. Now we've got them on both sides so that we can facilitate programs as well as back them up.

So you ask me what the objective of this . . . This has as an objective a safety net for people to encourage them to invest, to provide them with confidence that they can have stability in their operations because of the stabilization Act here, and a mechanism like CAF (counselling and assistance for farmers program) and counselling assistance to help them through those difficult times.

Now you may want to put another word on that or another name or another definition. But certainly it encompasses more than we've ever seen, I believe, in Saskatchewan and probably most jurisdictions in North America, and when it's combined with the legislation that we're going to be talking about a little bit later, the agriculture credit corporation amendments, you've got a combination of things that provide both financial stability, in the long run, and targeted specific financial measures to help people as they face this interim financial crisis.

**Mr. Chairman:** — Being near 5 o'clock, this committee is recessed until 7 p.m.

The Assembly recessed until 7 p.m.