The Assembly met at 9 a.m.

Prayers

ORDERS OF THE DAY

Hon. Mr. Lingenfelter: — Mr. Speaker, with leave, I would move first reading of a Bill to amend the Saskoil Act.

Leave granted.

INTRODUCTION OF BILLS

Bill No. 91 — An Act to amend The Saskatchewan Oil and Gas Corporation Act, 1985

Hon. Mr. Lingenfelter: — Mr. Speaker, I move first reading of the amendments to the Saskoil Act.

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

SPECIAL ORDER

COMMITTEE OF THE WHOLE

Bill No. 87 — An Act respecting amendments to Certain Farm Income Insurance Legislation

Clause 1

Mr. Devine: — Thank you, Mr. Chairman. I wonder if the minister might provide a little bit more explanation of why he has included section 10.1 and 10.2 in the Bill, which to most readers eliminates the ability of the ordinary person from going to court and protecting their rights in a contract. It seems to me that those sections eliminate the individual right to go to court even if the government of the day might have broken the law or in fact changed the law retroactively. Why did he think it was necessary to have those in there?

Hon. Mr. Wiens: — Mr. Chairman, I'd like to explain to the member opposite that those provisions are relatively narrow provisions that apply to the changes in '92, which have been made under the terms of the federal-provincial agreement, and the notice provision as was explained yesterday.

Mr. Devine: — Well would the minister just tell us what those provisions do exactly.

Hon. Mr. Wiens: — Mr. Chairman, I'm advised that the detailed examination of the clauses is most often left to the time when we get to that clause. I will give a general rationale and if the member opposite, the Leader of the Opposition, would want us to get into the detail now so that when we get to the clause we can just skip over it, that's acceptable. But I will first just give the general background of the coming to this position.

As the member opposite may be aware, a year and some time ago his government at that time entered into discussions with respect to tripartite programming with the federal government. That discussion was brought to the farming community in early March. The farmers began to respond as the members opposite engaged in public meetings about it. Farmers were given program information on a word-of-mouth basis. It's my understanding that when most farmers were beginning to seed after having had the program explained to them verbally by politicians at something in excess of 60 meetings, many farmers went to many meetings in order to try to capture the essence of the proposals that were coming forward.

During that series of meetings, there were numerous changes — I think in excess of 100. At any rate the discussions went on with farmers. And about May 1, the government published a pamphlet which they called the revenue insurance contract, which became another piece of explanation of what the program was.

They published another document called the safety net program which was again a second piece of information in addition to a piece of information that farmers had earlier signed indicating an interest in participating in the program.

Then farmers had their individual contacts aside from the public meetings with their crop insurance agents, and sometimes with the employees of the Crop Insurance Corporation, at the end of which farmers believed they understood what it was they had assured to them under the program.

It was not yet fixed in legislation and in fact never was. It was not yet determined in the federal-provincial agreement because it never was until September 18. So farmers were engaging in program decisions based on communications that were word of mouth and communications that were never finalized in terms of defining in legislation what the program commitments were.

These were changes and processes that were in place and taking place well beyond the period that was later defined in the pamphlet as March 15 as a time after which changes should not occur.

So farmers were participating in word-of-mouth communication with respect to changes, changes in excess of 100 changes in the implementation of a new program. So that defines the background of where it came to be when we came to office.

There was a piece of legislation passed, I think it was in June. But that piece of legislation did not define what constituted a contract. Then a federal-provincial agreement was signed that provided for change in the . . . and the mechanism for change.

The methodology for changing in the federal-provincial agreement is that changes may be made, and if farmers are unhappy with the program as a result of the changes, they would have the right to opt out. That provision is inconsistent with the detailed notice provision that was also included in the pamphlet as part of an understanding of what may have constituted a contractual agreement.

We came to office in early November. We put in place the review process that the member opposite had begun, that had been provided for in legislation — the review process that was supposed to follow the first year of the operation of the program. We were the only province that had legislatively established that review process. And the member opposite, the Leader of the Opposition, then premier and minister of Agriculture, named a committee, a committee that represented a number of farm organizations in the province — most of the farm organizations that represent the greatest number of farmers in the province.

(0915)

That committee was . . . what we did was ask the organizations that had previously been on the committee, as appointed by the Leader of the Opposition now, to confirm their representation on the committee. We asked them to name changes if they wished there to be change. We made an addition to the committee. We added the National Farmers Union who had been left off of the committee originally, and we added two ministerial appointments. That committee went to work and brought forward a report within the time frame set out in the legislation passed by the members opposite a year ago.

In the process of coming to their conclusions, this committee had heard from and met with in excess of 300 individuals and organizations. They brought forward their report to me signed by the . . . there was a majority report signed by I believe 10 members of the committee on February 11, and a minority report signed by two others with respect to the nature of the program changes.

When we brought those changes forward, there was a period of protracted delay by the federal government with respect to blocking the recommended changes by our committee. That was somewhat confusing to us since four of the members on the committee named by the members opposite and continuing on the committee had been a member of the national GRIP review committee and had been in communication with respect to the nature of the changes they had suggested. And they in fact believed that the changes that were being brought forward were consistent with the existing federal-provincial agreement. They also believed that those changes should automatically be brought forward by the federal government as a result of the recommendations that were here.

Well the unfortunate fact was that the federal government delayed this process, in fact in the end requiring Saskatchewan to engage in an unprecedented process of seeking our own provincial support for these changes — that in the face of changes having been made last year, in the year of implementation of the process, by the provinces of Alberta and Manitoba, to correct some of the very same errors that the original program in Saskatchewan had, and those changes having been not only carried forward by the federal government but those changes involving additional money from the federal government, an amount of money equivalent, if it were applied to Saskatchewan, to 40 to $60 million additional federal money with respect to this program change.

But in Saskatchewan — and the motivation for this is unclear, but there is no other evident motivation other than simple politics — in Saskatchewan the federal government chose to block the recommendations of this committee. And finally as a result of seeking provincial support for our changes on March 13 — the earliest time possible for us to make changes — brought forward the recommendations of the committee and gave notice to the farming community on March 13 by public press release.

The consequence of the lack of definition of the contractual obligation, as it was originally constructed in the spring of 1991, was that there could be 50,000 independent interpretations of what the government's commitment to a farmer was. Since there was no piece of paper and no provision in an Act that anywhere described this contractual commitment, nowhere in regulations was there a full definition of this contractual commitment.

So that in essence a farmer who had been told something by their crop insurance agent could believe one thing about their contract and every other farmer could believe something else about their contract. And nowhere was it defined what in fact was the real contract that the farmer held.

It was therefore necessary in implementing our report to clarify that, so that in the provisions that are in the Act as brought before you and in the clause that the member opposite makes reference to, it was believed that there were two clauses; that there was a clause in the previous agreement that caused some difficulty because it was impossible to know what constituted notice under the . . . because of change, because it was impossible to know what each farmer believed to be their contract. So that it was impossible to determine what in fact constituted proper notice.

And therefore in the process of reconstructing . . . in constructing the new legislation, several things were done. The first thing that was done was voided the requirement for notice, so that in this Bill there is a voiding of the notice requirement because it is difficult to determine what in fact constitutes legal notice. And with 50,000 people independently determining what that was, it would be an ongoing difficulty to try to determine that legally.

It was also believed that, as a result of past practice and the functions — and to be consistent with the federal-provincial agreement — that the purpose of those notice provisions was simply to allow farmers to understand program options and allow them to make decisions about their program options.

In the original crop insurance program, the March 15 deadline was a deadline that the Crop Insurance Corporation used before the days of crop insurance agents where there was more personal contact. In those days — early days — the contract would . . . the program features would be mailed to a farmer, and the farmer would have 15 days to respond. So that before March 15, farmers would receive a description of any program changes in the current year, and then the farmer would

have up until March 30 to respond.

That worked when that was the only option that was necessary to determine. But in recent years, there has been much more personal contact. There have been numerous program changes. The members opposite, in many years leading up to 1991, ignored the March 15 provisions because they understood, as farmers understand, that the purpose of that was simply to inform farmers so that they would be able to make informed program choices.

It was most often that the decision time for farmers was extended to April 30 or May 15, if there were considerations that farmers needed to be given. And that again was done this year. Farmers were given notice for the purposes of meeting what the intent of notice was, which is that farmers could understand the program and could make their decision about participation.

What has been done in this legislation, because of the previous lack of clarity in the program, is that this legislation defines what the 1991 contractual commitment was, because it has not previously been defined in law. And it voids the requirement for notice. And the clause the member opposite refers to then extinguishes actions with respect to those narrow provisions, the notice provisions, for the reasons we have brought forward, and the program changes having been made consistently with the federal-provincial agreement.

Mr. Devine: — Mr. Minister, I don't know if anybody was listening to your answer but you didn't address the question. And as a result of your rules changes in here, maybe you think you'll just talk long enough so that in fact you can just run out the clock, even if you don't make any sense.

I asked you specifically if you would respond to section 10(1) and (2), particularly section (2). Could the minister sincerely and accurately explain what section 10(2) does — 10(2), what it does?

I read it to him and then if he would just address that clause. Section 10(2) says:

> Every cause of action against the Crown or a Crown agent arising from, resulting from, or incidental to anything mentioned in clauses (1)(a) to (d) is extinguished.

Would you care to explain that to the public and to a farmer. If a farmer asked you what that meant, Mr. Minister, what would tell him that part of the Bill does?

Hon. Mr. Wiens: — Well, Mr. Chairman, I think it's important to explain, not only to the people listening but to the members opposite, the background for the legislation which is now being introduced. The . . . and I will explain it again because the member opposite doesn't possibly — maybe I haven't explained it properly — understand the relevance of the history to the need for the present legislation.

The history, as I just described a few minutes ago, leaves farmers in the circumstance that in the year that the program was constructed of not having defined what their contractual expectations should be. Farmers in a general sense knew last year what the program offered them. But in the legal sense that the member opposite describes, there was no definition of it. And so if it were to come down to a legal examination, no one could describe what the legal obligation of government was in the program. It was therefore necessary, because not knowing what the legal obligation were to be it would also be impossible to determine what would constitute legal notice of changes.

And so it was our desire to meet the intent of the notice provisions by, as early as possible, giving notice of the changes in this year. But there is lack of clarity about what in fact could constitute legal notice this year of changes because of the lack of a basic understanding of what the original commitments were. It was therefore necessary in this legislation to first of all define the 1991 contract which had not previously been defined, and then to clarify the legal entanglements by voiding the requirement for notice. So in this Bill the requirement for notice is voided and the . . . there are provisions in this Bill that would prevent lawsuits with respect to a narrow range of circumstances that result from the clarification of the program in 1992. So the Bill will prevent, and the clause the member refers to, prevent lawsuits with respect to changes in the program — the changes in the program which are made consistent with the federal-provincial agreement.

Because of the lack of clarity, there were two kinds of provisions around change and they were not possible to be put together, as the member opposite would know, because they were not put together last year. So that in order to prevent the constant expanding of resources and time on the legal details around that, this Bill simply clarifies that with respect to those matters, that lawsuits are prevented, including amendments to the contract and the federal-provincial agreement. Because the federal-provincial agreement in fact is part of the contractual commitment and is part of and has within it the process of change that says when the federal-provincial agreement is amended, that that becomes the new program.

That becomes the new program regardless of when it happens. The old federal-provincial agreement was signed on September 18 last year. When that agreement was signed, it defined the program that was begun and supposedly in place on March 15. So April, May, June, July, August, September, five months later the contractual commitment is defined in the federal-provincial agreement — impossible to have given notice on March 15 of changes that are only enshrined in a federal-provincial agreement on September 18.

(0930)

Then it was also there to prevent lawsuits with respect to any claim with respect to any representation of a contract other than that which is described, because of the circumstances again that I described earlier with respect to the origins of the program. There was only a piece of paper that farmers signed that said they were interested in participating in the program. There wasn't even a pamphlet describing the program until . . . where it said

this is the revenue insurance contract until May 1 and thereafter. And I'm sure all farmers did not receive it. And what the nature of that information was is part of the dilemma because was there an obligation to mail this to every farmer? Was there an obligation to mail it by registered mail? What in fact constitutes legal notice? That was unclear. And what else constituted an agreement?

So that because a contract could be conceived to have been the representations by the crop insurance agent, the representations by other employees of the Crop Insurance Corporation, or the representation of ministers at meetings when the ministers were touring the province, this provision prevents lawsuits with respect to those kinds of changes. And this provision also does provide for a defence in the actions already commenced.

Mr. Devine: — Well, Mr. Minister, I've asked you three times now if you would justify or explain and then hopefully justify why you are removing the government from any legal action. In other words, if farmers signed a contract with you and you broke the contract, they can't sue you. They can't take you to court. Section 10.1 says:

> No action or proceeding lies or shall be instituted or continued against the Crown (against the government) . . .

If you think you're so right, why do you have to protect yourself from the farmers? That's the question. If your history is valid and the last hour of your discussion is valid, why do you have to protect yourself from them going to court? It isn't logical. It doesn't follow. If you're valid and you have all of this nice history, why are you so afraid that you have to bring in this legislation that takes away the individual's rights and probably — and no doubt we'll see and I'll present to you — violates the Charter of Rights and Freedoms of the country.

Why do you have to do that? It's all the way through the Bill. The whereas's in the Bill set out your weak attempt to justify reducing . . . or removing the people's rights. Then you go on and say what they did do was void. And then to even add insult to injury, you say, but you can't sue me because I might just be wrong. The NDP (New Democratic Party) government might just be wrong, but you can't sue me. So you've taken away their rights.

Mr. Minister, the Charter of Rights and Freedoms in Canada says this:

> The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Legal rights:

> Everyone has the right to life, liberty, and security of the person and the right not be deprived thereof except in accordance with the principles of fundamental justice.

Under the Charter of Rights and Freedoms in this country, people have rights. One of them is access to fairness, access to the courts, access to the legal system. And if they've been violated, they have to turn to someone. They have to turn to the courts. That's part of the Charter of Rights and Freedoms. And you have denied them that. And all the history lessons and all the whereas's will not justify, one, morally in the minds and hearts and souls of people across Saskatchewan that you can take away their rights.

And secondly, I don't think there's a court in the country that wouldn't like to get their hands on you and just test this, whether it's a court of appeal or the Supreme Court. You can't take away people's rights to defend themselves, particularly given the history of what you've done in this Legislative Assembly to impose this law. You've limited my right to speak and to represent my people who duly elected me in democracy, through unilateral changes in this Legislative Assembly. Then you imposed time allocation, and this debate will end on Monday.

An Hon. Member: — Hear, hear.

Mr. Devine: — And the members say, hear, hear.

An Hon. Member: — We're sick of . . .

Mr. Devine: — The NDP member from Humboldt says he's sick of hearing the truth about this. Mr. Chairman, isn't it interesting when we get up to speak about the truth and taking away the rights of individuals, then the NDP members come alive over there in their seats, as if they had something. If the member from Humboldt has something intelligent to add to this, perhaps you could allow him to speak on it.

Mr. Chairman, I make the point that all the history lesson that the minister's been going through to waste time doesn't change the facts or the truth. The truth is you're wrong. This is unpopular, and it's illegal, it's unparliamentary, and it's undemocratic.

And now you can have all the history stuff you like . . . And your Bill clearly lays that out because the preamble is a very legal, constitutional preamble to protect you but that isn't enough. Then you go on and void everything that was there. And then you protect yourself from any legal actions so the individual farm family can't get at you.

What a cowardly act. What a cowardly act. And all the history lessons will not change that. People across the province, and people across Canada are looking at the NDP administration and the NDP Minister of Agriculture as a political coward hiding behind unilateral changes here, changes that he couldn't pass without dramatically changing the rules of the House, and changes that he couldn't bring to the farmers, that would be popular.

On Monday there will probably be a handful of farmers, as you know, asking you all kinds of questions. And I hope that they give you 16 hours to explain section 10(1), (2), (3), which of course they won't. You'll get laughed out of the country.

If there are a few hundred or a few thousand people show

up to hear you do what you did here this morning, it's a joke. You should be ashamed of yourself. You're elected as the member of a rural community to stick up for farmers, and you're using this Legislative Assembly and hiding behind it and hiding behind the law so they can't get at you, and they're losing their farms in the crisis that you campaigned on. It's pathetic. What a cowardly act; how shameful. It's pathetic.

I couldn't understand how an agricultural person and an ag grad and a rural person could do this to his neighbours, and have this history. I'm going to read to you what your Premier says about rights, what people say about rights, what farmers say about rights, what people say about your attitude towards the rights of individuals. And you can't change that. It'll be in *Hansard*. It's in the editorials; it's in the papers; it's in the speeches. And you're there being hung out to dry.

You are genuinely seen as a serious political liability for the new NDP Premier of Saskatchewan because of this legislation and the way you've handled this — public knowledge everywhere.

And I asked you a sincere question about why you have to take away the rights and you go on for another half an hour, all over the map, as if that's cool. Is that really productive? Is that sophisticated? Is that the proper thing to do? There's no bearing on it at all.

Other people aren't in court. You can provide some help to farmers. You can modify some GRIP (gross revenue insurance program). You can do the right kinds of things in a reasonable way. Sit down and talk to them.

The last one I'm sure that you haven't got pinned up over your bed is Randy Burton of the *Star-Phoenix* took a run at you that summarized a whole bunch of your mistakes. It's funny you're not in court over all kinds of things. The result of this squabble in GRIP was an embarrassing court case, heavy-handed legislation, and a legislative walk-out by the Tories. All this makes Wiens a considerable political liability for Romanow.

So you're not wise politically. And you're illegal. You're unconstitutional, undemocratic. And how are you doing so far? You're only eight or nine months old as a minister. And all this because you won't help farmers, because you're afraid to co-operate in a national program.

And you say, well but crop insurance changes were never made before. We've made crop insurance changes for the last 50 years, certainly in the last 10 years. Year after year after year. We never got into any of this stuff.

The salvage program — big change to crop insurance, the right thing to do. Probably you endorsed. People didn't go to court over it. The article goes on to say, your honeymoon is over. Now you flip-flop, flip-flopped on all kinds of things.

The problem with this one is you've dug yourself in legally where you are affecting the Charter of Rights and Freedoms. And you're putting up this legislation so that . . . You must admit you're wrong or you're way over here and largely guilty or very vulnerable or you wouldn't have this section in here that says, well I can void your rights. But just in case I might be wrong, I'll take away your rights to sue me or your rights to have access to the courts.

That is the biggest admission that you're haywire that there is. Anybody can see that. Any farmer will see it. Any lawyer will see it. Any of the people that drafted this knew exactly what they're doing. This is dangerous stuff, folks. We'd better put lots of whereas's. We'd better really be careful with this void stuff and deemed to have done. But then we'd better really cover our backsides. They can't get us.

That's what that section's all about. People have been denied their rights and freedoms. And I don't know over what. Because GRIP is complicated? Agriculture contracts are complicated? Of course they're complicated. It's a multibillion-dollar operation. You have individual farmers. They all have different circumstances and different commodities. Of course it's complicated. But you don't have to take away their rights because you can't figure out how to deal with agriculture or different farmers who farm different commodities.

You're quoted, Mr. Minister, in this House saying a couple of things. This is August 11 and it was a response to a question that I asked you:

> Mr. Speaker, as I have already once indicated to the member opposite, this matter (this GRIP matter) will continue to be dealt with by the courts.

That's what you said. Earlier you said:

> Mr. Speaker, the member opposite ought to be aware that the courts will continue to deal with these matters.

So you're bringing in this law and you're telling us in question period, this will be dealt with by the courts. Your leader essentially said the same thing about GRIP and about your legislation which he is not happy with — publicly admits he's not happy with. And I quote the NDP Premier:

> I worry about contracts and all of that. I mean, one has certain rights. That's where the merit of the PC walkout is.

Now that would be interesting in a court of law where the NDP Premier says, I'm worried about people's rights. That's the merit of their argument and their walk-out.

You said in the legislature, this will likely be settled in the courts; this will be before the courts; Mr. Speaker, I've reminded the member of the opposition, this is going to be done before the courts.

So your Premier says it's going to be before the courts. He goes on to say, the NDP Premier says on August 7: The courts will have to decide that.

And the Saskatoon lawyer, an NDP lawyer, says this is unconstitutional, will have to be decided before the

courts. And I quote:

> The bill would also make it impossible for anyone to sue the Saskatchewan Crop Insurance Corp. or the government over the changes cabinet makes to GRIP.
>
> In court actions already proceeding against the government, the bill states (that) "a court shall not consider any principle of law or in equity that would require adequate, reasonable or any notice with respect to any amendments or change to the contract."

(0945)

Audrey Brent says this, and I quote:

> I think that is the most disturbing aspect.
>
> First, she would argue that GRIP is a tripartite program involving the farmer, province and federal government. This bill affects the federal government and because provinces can't make legislation binding Ottawa, the Bill is unconstitutional, she said.
>
> Second, she would argue the bill contravenes the Charter of Rights and Freedoms.

You have an NDP lawyer who agrees with the Premier this is a violation of rights. You don't have access to the courts. You yourself admit in this legislature that this is going to be settled in the courts. And a legal academic and practising lawyer and supporter of yours says this is unconstitutional, and it violates the Charter of Rights and Freedoms. And when we ask you questions about it here in the legislature, you give us a history lesson how it is that we have to change GRIP and crop insurance, as if it's never been changed before.

Imagine if you've had somebody on the stand and said, did you change crop insurance in '82? Yes. Eighty-three? Yes, sir. Eighty-four? Yes. Eighty-five? Yes. Is it changed every year? Yes it is.

But only when this minister gets in power do you end up in court, where in fact you cannot even sue the government even though they break the contracts, break their word. Farmers are out millions of dollars. Only under this administration with this minister do in fact you lose your rights.

Mr. Minister, when we ask you to defend the fact that you are taking away rights, you don't even address the question. And the minister says from his seat, ask me again and I'll defend it again. You haven't defend . . . You haven't even been close to it, not close to it.

You've got your members, your Premier, yourself, admitting that this will be settled in the courts, and you've got a whole section in here that says you can't go to court. What are you talking about? How do these farmers get access to go to court when you don't let them have access to you? Did you ever . . . Did you take time to explain that? How are you going to explain that to several hundred or several thousand farmers if they meet and want to talk to you and say . . . You'll just have to say this. This will be settled in the courts. The Premier said it's going to be settled in the courts; I say it's going to be settled in the courts. Then you'll have to hold up the Bill and say, but you can't take us to court.

That's pretty brave, isn't it? Isn't that really logical? How sound is that? Why would you do that?

And when we go at it in here, and you not only change the rules . . . Why do you duck and say, well we can't handle that; it'll be settled in the courts? Why do you say that? Why do you say this is going to be settled in the courts if you're not absolutely convinced in your heart of heart, number one, morally and ethically you are wrong, but legally you are wrong as well? And you violated the constitution and the charter of rights.

Why do you keep jumping back to the courts? And the Premier jumps back to the courts. And he's in the paper saying, I'm worried about rights. That's the validity. That's the part that the PCs (Progressive Conservative) are right about — people's rights. And then we ask you about it, and you jump back to the courts, and then don't let them have access to the courts.

Why? What is going on in the back of your mind or in the back of the caucus of the cabinet over there that let's you dig this hole so deep that this is far beyond agriculture and far beyond crop insurance? It's far beyond your officials in Crop Insurance. They've got nothing to do with this. You probably don't want them hauled into court, and I wouldn't blame them for not wanting to go to court either. But why have you taken this so far out of agriculture where you're now violating fundamental rights and freedoms of people in Canada.

And then you must have had some advice to say, well it's going to be settled in the courts, knowing that they can't get at you in the court. You have denied them access to the courts. Because this section that I've been reading to you says you can't sue the government.

Now if you are so sure, Mr. Minister, with all your history lessons that you've been making up, rewriting history, if you're so sure that you're right, number one, why is it in here, that section? And number two, why don't you just refer it to the Court of Appeal in Saskatchewan and let them take it right up to the Supreme Court? Then we'd all know, Mr. Minister, we'd all know.

But no, you won't do that. So you refer to the courts over and over again — this is going to go to the courts to be settled. You deny people the right and then you deny the request, which is a normal request that we've done. We did it with the jurisdictional boundaries Act, electoral boundaries Act. We just said, refer it to the Court of Appeal, take it to the Supreme Court. They dealt with it right away. I bet your farm, Mr. Minister, the courts would deal with this very quickly — very, very quickly.

If you want to clean this up before the public and before your cabinet colleagues and before farmers, refer this today. Don't hide behind closure and time allocation and long-winded speeches about the history of GRIP and crop

insurance. What malarkey. You don't look good doing that. Nobody believes you, don't believe you at all. I don't think your family believes you. I don't think your neighbours believe you. Certainly your constituents don't believe you.

If you think you're so right, you just have a couple of things that you can do. Pull this section that denies people right to the courts, or refer the whole thing to the Saskatchewan Court of Appeal and let it go from there.

Now that's an honourable thing to do. It shows a little bit of courage. Your drafters may be tested to see if they really knew what they were doing. Your principles would be tested. You might be right and you might be wrong. But you're hiding. You're hiding behind the rule changes. You're hiding behind this legislation so that you can't be sued. And yet over and over and over again, you and your cabinet colleagues, including the Premier, said this will be settled in the courts, and you won't let them have access to it and you won't refer it.

For Heaven's sake, what a weak argument. It's terrible. And on top of that we say, why do you do this? Is this part of your reason to be elected, to go deny the rights and freedoms of individuals, break the constitution, violate the constitutional rights? Is this going to help them get money into their pocket?

You campaigned on a rural crisis and they're still . . . and the crisis is deepening. There was frost last night in Melfort. There's still drought. Income problems are severe. You've got foreclosure notices coming out. Rural communities are dying. Rural population is declining. And you're in court and legislation here denying them having access to you.

And that's something you're going to campaign on? Is that what you thought you would do when you got elected? You're a farmer. You know about GRIP. You know about crop insurance. Is that what you thought you were going to do? You certainly campaigned the opposite.

Lots more money; cost of production; we'll be there to help you. We'll get more money from Ottawa. You failed on all of those. You didn't get more money from Ottawa. You didn't get them the cost of production. You've dramatically changed their contracts and then when you did it illegally, you're doing it retroactively and then to cover yourself, you can't even be sued. What a legacy.

So, Mr. Minister, you see why I asked you about that section. I asked you about that section. Let me give you this quick summary of why I want you to address that section. Your Premier says he's worried about rights being violated. He says this will be settled in court. You say this will be settled in court. I ask you then, why do you have this section that denies people the right to have access to the courts, and violates their Charter of Rights and Freedoms? Why do you do that? Why is that in here?

And number two, why don't you refer this Bill to the Court of Appeal in Saskatchewan and let them take it from there, if you think this should go before the courts, which you said it should and it would, and the Premier said it should and it would.

There are only two ways to get it there, and you could facilitate either one of them. Pull this part of the Bill and let them have access to you if you think your void stuff is fine and you deem to be fair enough and all of that. Let them take it to court and test it out. Don't hide. Or two, refer it, and then you'll know.

Because if you won't do either one of those, how can you keep saying this should be tested in the courts; this should be settled in the courts? That's where you've . . . people don't understand that. And they don't want a 25-minute lecture on history that's been rewritten by your imagination. Why has this section been put in the Bill and how in the world do they settle it in the courts if you're hiding behind the Legislative Assembly that denies them that right? And why in the world won't you just refer it if you think the courts are going to deal with it?

The member from Quill Lakes, Mr. Chairman, the member from Quill Lakes should probably be on his feet describing this. Yes, the member from Quill Lakes hides in the legislature, and now he's chirping from his seat. Because if he has any legal experience at all, he knows that the Premier is right. He is worried about the violation of rights and freedoms. People do have rights. People do have rights. And the member from the Quills doesn't care.

And now they're starting to chirp up from Regina North. Mr. Chairman, now the minister is anxious to answer the question. He's just sitting there, anxious to answer. He hasn't answered a question in the last three days. He's all over the map — all over the map. You deserve to be politically tarred and feathered — politically tarred and feathered for this kind of cowardice, cowardly act, hiding in here, imposing unilateral changes. Big, big majority, really right, really good, really sensitive, really kind, buoyed on the history on the back and the memories of Tommy Douglas. This is so kind and so good, not only for farmers but for individual rights and freedoms. You are so righteous and self-righteous.

Even your members of your caucus who are members of the clergy are ducking and hiding their heads for the things that you've done in this Legislative Assembly — things they said they would never have any part of. And now they've gone way beyond that to where they even deny the rights and freedoms of individuals to go before the courts. And then tell people to go to court and they don't let them go. What a pathetic excuse for people that are elected.

And these are NDP . . . these are democrats, these new-found democrats. They don't like democracy; they don't like individual rights; they don't like to listen to the people. They just think, well we got a majority, we'll change it the way we like, and we will deny everybody their rights and freedoms . . . (inaudible interjection) . . . And the member from Quills says, why don't you accept the fact that we lost an election. Well they campaigned on an awful lot different that this, Mr. Chairman. They campaigned on they'll give you the cost of production; they'll get you more money. And what did they do, Mr. Speaker? They didn't tell the truth. It's political perjury — political perjury. It's falsehoods to the highest order.

They campaigned on cost of production, helping farmers, open government, freedom . . .

The Chair: — Order, order. Order, order, order. I don't know what the point is of the interruptions. Members have an opportunity to be recognized and heard in these debates at the appropriate time. There's simply no reason for them to interrupt anyone who has the floor.

Mr. Devine: — Well thank you, Mr. Chairman. It's interesting that the members will not stand up and speak on it, but they'll chirp from their seats, and then they'll say but they won on a falsehood. They didn't campaign . . .

On the rural crisis they said they were going to help people. They had new ideas for agriculture. New ideas for agriculture, can you believe this? This is the new plan. Boy, if they'd have ever told them what they were going to do, there wouldn't be any of them here. They could go out now in rural Saskatchewan and say, this is the new plan folks; here's what we're going to do. Vote for us. And they would get kicked so hard they wouldn't have their deposit. And you know it, Mr. Chairman, and so do I and so does the public.

And teachers are saying, well maybe they could do that to our contracts. Nurses are saying, maybe they could do it with our contracts. Unions are saying, well you mean if we signed a contract, the NDP could break the contract and bring in legislation so we couldn't sue them? And he's going to justify that with a history lesson about unions or a history lesson about teaching or a history lesson about the nursing profession.

Now they're bringing in changes where they're going to lead to the demise of rural Saskatchewan, close facilities all across rural Saskatchewan on top of this legislation. And you watch them close them.

(1000)

We've got technology that allows them to have rural health centres, rural agricultural centres, the best technology you can have. You've got fax machines, telephones, computers, satellites. And these the NDPers say, no bring it all to Regina. Bring it all to Saskatoon. We'll consolidate that.

Oh for Heaven's sake. And then they promised that they wouldn't stop decentralization. Member from Humboldt said right on the radio, we won't stop this. And they've cut it right off at the knees and then off at the neck and then off at the belt. Mr. Chairman, this bunch over here that got elected on this falsehood and on this political perjury deserves to have their face rubbed in it. And this Bill is the epitome of that hypocrisy and that falsehood.

Mr. Chairman, this minister who gives us a two-hour history lesson about crop insurance when we're asking about the Charter of Rights and Freedoms and campaign promises isn't worthy of sitting on any cabinet bench. This is pathetic. And his colleagues know it. Nobody can justify this. You can't justify this in the world in any jurisdiction, let alone a democracy, and certainly not somebody who says they come from the roots of Tommy Douglas, based on the foundation of heart and soul and caring and co-operation for rural people. For Heaven's sake.

An Hon. Member: — Who wound you up this morning?

Mr. Devine: — The member from Quill said who wound me up this morning. Well when you look at this Bill and you take it anywhere in the province, Mr. Chairman, you just have to show it to them and show them the sections, and they're all wound up. For Heaven's sakes, I'm calm compared to some of the receptions you're going to get, Mr. Member. They're not going to forget this. They're not going to forget this.

An Hon. Member: — How was your reception October 21?

Mr. Devine: — And the Finance minister says, well how was the reception on October 21? How was it? What did you campaign on: honesty, open government, access, the cost of production, helping farmers, all of that stuff? You campaigned on that. They didn't have any idea at all of implementing any of that. They said they were going to reduce taxes; they've increased them. They said they were going to help rural people with their roads; they're cutting them off. They said they were going to help health care; they charge for it. And you're going to help the seniors; and they take away their pension plan.

They back out of upgraders. They back out of energy agreements, and they back out of agriculture agreements. They have just whistled through their teeth. It's the biggest political misconception in the history of Saskatchewan. And all they can say is oh, but they won. Hey they won — well, well, well. Here's the result. Here's the Bill. Here's what you get when they win. Here's what you get when they win. You're denied your rights in your Charter of Rights and Freedoms — what courage, what bold people.

The member from Quills, who fancies himself as some legal beagle, says where do you find that in the Bill. Well we've asked the minister for three days if he'd explain why he's doing this, and he doesn't, Mr. Chairman. And he knows, he knows he can't justify it. So I'm going to let the member give us another history lesson, give us another history lesson on legal rights and the farmer's rights as an individual Canadian, Charter of Rights and Freedoms and his constitutional rights, his contracts that he signs, why you can say that they're not valid and retroactively rewrite that, and why you then protect yourself from letting him have access to the courts so you violate his Charter of Rights and Freedoms.

When your Premier and yourself says this . . . He's worried about rights, and he can be quoted. He could be called into a court of law. Are you worried? Would you explain these rights? Mr. Minister, maybe that's something else you could do. Would you explain . . . or do you agree with the Premier about his concern regarding rights and freedoms? And individuals have rights associated with the violation of rights in this legislation. Would you talk about that?

An Hon. Member: — Yes.

Mr. Devine: — The minister says yes. H will talk about

the violation of rights and freedoms and the worry that the Premier has about the violation of rights and freedoms associated with this GRIP legislation. That's what I'd like him to explain, and why he thinks this section that takes away the right of access to the courts is the right thing to do and why it will not violate the Charter of Rights and Freedoms.

And then could he explain, if he's got to have it in there, why he won't then at least refer this to the Court of Appeal? And third, why does he say this is going to be settled in the courts? And how would that happen if in fact he denies people the rights to the legislature or he won't refer it? And he certainly is . . . That's where we are today.

The clock is ticking. You have muzzled the opposition. You say, well if I just give them enough history lessons, we'll kind of get through this. But today the way it is, farmers have had their rights violated. They can't sue you.

Number two, you won't refer it to date, and we're asking you to, to the Court of Appeal to have it tested. And three, the Premier's worried that he's violating rights and freedoms as he's changing the constitution here. And four, you said and he said and others have said in this House, this will be settled before the courts. The Attorney General says the same thing. How does it get to the courts if you have hidden behind this Legislative Assembly?

Hon. Mr. Wiens: — Mr. Speaker, the Leader of the Opposition I believe has asked two questions. The why violate — we do not believe we have violated. The court proceedings in Canada are still alive and well. And if someone believes their rights have been violated, they can have that tested, and they will. So in that sense . . . There can be no violation in that sense because the court structure is there to test those matters, and that will be done.

With respect to why not refer it to the court, the Attorney General can only take the step of a reference on the constitutionality if he genuinely believes there is some doubt about the constitutionality. And the Attorney General does not have such doubt; therefore it would be inappropriate to refer it to the court at this time.

Mr. Devine: — Mr. Minister, I notice that you didn't really say that with a straight face. Maybe you might try that again.

You're saying that there is no reason to believe that this legislation that we have before us has any concern that it might be unconstitutional or violate the Charter of Rights and Freedoms. You just finished saying that. And the Attorney General doesn't think there's anything legitimate there, therefore he won't refer it. Now you've said that. And he's shaking his head. You said that.

I just read to you where NDP lawyers, on the front page of the *Star-Phoenix*, believe it's unconstitutional and violates the Charter of Rights and Freedoms. And you're standing in here with a smirk on your face, saying well the Attorney General doesn't think there's any validity to this.

You have got farmers suing you. You're going to have hundreds or thousands of them coming out to find out what you're doing. You have got people concerned as high as the Premier's office. And the Premier himself says this may violate rights. And you've got historic legislative changes here and debate, and you've changed the rules in the Legislative Assembly, and you've hidden behind this Bill and you say, oh he doesn't think there's anything to this.

Where have you been for the last four or five or six months? Isn't this whole argument about the validity of GRIP legislation that you've brought in? Are you just saying . . . slapping across the face, these NDP lawyers and other legal people who have said publicly to you and to everybody, this violates the constitutional rights, the Charter of Rights and Freedoms. And you stand up and say, well the Attorney General doesn't think there's anything there.

That's not valid. There's lots there. There's stacks of stuff here. Your precedent, your violation. The Bill itself, the way it's designed, admits there's lots there. All the whereas's and the voids and the deems, and then going from there to say, well you can't get at us because we kind of think we're wrong anyway. Why did you have this section in here if you think it's valid? Why not just let them sue you? What are you ducking and hiding for?

You can't give me that and stand up and say, well gee, I don't think there's anything here. There's all kinds of people who think there's lots here to sue you on and that they have their constitutional rights violated, denied.

How do you justify saying what you just said, that there's nothing here that would indicate that there are problems with this Bill, given the history and the editorials and the legal advice and all of the rest of it. In fact you're being sued, all of that — why don't you just clear it up? Either pull this part that says if you can have access to the courts, which would show some courage, if you think you're absolutely right.

If the Attorney General is absolutely right, there's nothing to worry about, then pull this section of the Bill. Or else you're whistling through your teeth. So either pull this section of the Bill or refer it. You can't have it both ways.

Hon. Mr. Wiens: — Mr. Chairman, I hope the member opposite will clarify his request because I think he's asking us to refer the same section of the Bill he's asking us to pull. So if it is the constitutionality of the clause that he wishes to have pulled, that he wants tested, I wonder if he could clarify which it is he would really like.

Mr. Devine: — Mr. Minister, you go on in section 5.4 and you've voided everything that took place up until March 15. And then you go on and you remove yourself from any legal action. Section 10.1 says:

> No action or proceeding lies or shall be instituted or continued against the Crown or a Crown agent based on any cause of action arising from, resulting from or incidental to: (all these changes)
>
> (a) any amendment to the GRIP . . .
> (b) any term, condition, warranty, contract . . .
> (c) any failure or alleged failure to comply with the

> notice . . . (See?)
> (d) the enactment or application . . . of this Act . . .

And then you go on to say:

> Every cause of action against the Crown or . . . agent arising from, resulting from, or incidental to anything mentioned . . . is extinguished.

So you made your funny little changes here and then you go in a whole section that denies people access to the courts. And the Charter of Rights and Freedoms are violated because you have no access to you.

What if you're wrong? What if you've broken the contract and you've violated their rights? And you broke the contract which is one, and then you didn't give them access to this — you've got yourself a serious problem.

So the farmer or the individual person is saying, well why is this section in the Bill? Why are you afraid to see whether you've done it right or wrong? You're big; you're a government. You're certainly bigger than a farmer or farm family. Why can't they sue you over the contract?

Because you've got in here a section, 10.1 — bottom of page 7, top of page 8 — that is one of the ugliest sections that lawyers have seen ever, where you've just clearly violated people's rights in the Charter of Rights and Freedoms. Why is that in there?

Why don't you just pull that part of the Bill and get on with your — you've deemed this appropriate and all of that stuff. And if they've got a problem then they can at least have recourse. If you're right, it won't be a problem. The courts will say you're right. And if it's wrong, then you've given them their normal rights under the constitution and before the law. Why are you hiding behind this section? Why can't you just pull it?

Secondly, if you can't pull this and you think there's no issue, then refer it to the Court of Appeal. And then you'll know. Because they can test this — and quickly. I'm sure as I'm standing here, I'd bet my farm that it would go to the Supreme Court, and you know it.

So this is destined. What we're asking — and I'm sure you've read this part of the Bill, Mr. Minister — why is it in there? Why are you hiding behind this piece of legislation? — this part of the Bill that gives people the right to say, I'm not sure you're right on this contract, Mr. Minister; I have rights and freedoms as well as the government. I want to test that. Why is that in there?

Hon. Mr. Wiens: — Mr. Chairman, I believe I explained twice this morning and the member opposite suggests that I shouldn't at such length explain the reason why that clause is in there. I won't again, unless he insists, go through that because that's what he describes as the history lesson.

It is in fact the factual foundation that required legal action this year. That is why it is in there, and if the member wants me to repeat it I would comply, and hope that he would then appreciate that further explanation rather than to suggest that it is an unnecessary history lesson. And it is for that reason that it was put in — for a reason. It was put in for the reasons previously explained, that it won't be pulled.

On the question of referral, the member opposite continues to make reference to the Charter of Rights and Freedoms. Well there is a process in law by which that can be determined, and it could be done by referral. But it can only be done by referral if the Attorney General legitimately believes there are grounds.

We have legal opinions from the Department of Justice as well as from MacPherson, Leslie & Tyerman confirming that the legislation is constitutionally sound and that there is no grounds. Therefore there is no reason to refer in that situation.

If the member opposite believes there is, in disagreement with substantial legal opinion, then the member has the right of access to the court to determine whether the legal opinions that we have are wrong. And that is how the justice system works. That's how law has become defined over time. So that's the answer to the member's question.

(1015)

Mr. Devine: — Again you find it very difficult to say that there's no concern in here, with a straight face. There's lots of concern. It affects tens of thousands of families. And there's legal people who have said it's unconstitutional and violates the Charter of Rights and Freedoms. You can get legal advice, you can buy legal advice. What are the probabilities of success on this piece of legislation? Did they put a probability on it?

If you're so convinced, then pull this part of the Bill and let them have access to you. And if you're not convinced, then you're not telling it as it is. Because he's really afraid to take it and refer it. That's the truth. You're afraid to go to court, or you wouldn't have this in here. You're afraid of the farmers. And that's what they're going to say about this. You're afraid to refer it and you're afraid to take it on the chin and at least let them have their day in court. That's where it is.

And all the whistle and all the talk and all the history and all stuff that say this is narrowly defined, is balderdash. It's not narrow at all. It covers all of rural Saskatchewan, and it covers their contracts, and people have had contracts and changes in those contracts every year since crop insurance started. I testify to that, your officials could testify to that; and it happens in Alberta, Manitoba, Ontario, every place else — they change. Agriculture policy changes. And only under you do we end up where you can't even change the contract without going to court and then you know the government's wrong but you can't sue them.

So that's not valid. You have seriously changed this. And you've done it because you said we can't give the farmers that much money. And you said that over and over again in this Legislative Assembly. That's on the record, Mr. Minister. That was your justification when you first got into this boondoggle. You said there's no money, therefore we can't give. Whether it's 23 million or something else, we can't do it. So that's on the record.

And if you go to court, people are going to quote that back to the judge or to the jury, and saying he's doing this because he says there's not enough money. The Minister of Finance told him to save some money. Go and negotiate. And if you have to, do what's necessary.

Well he did what's necessary. And then he brought in retroactive legislation. He didn't tell the truth to the media. We got him saying that . . . the advisory board telling him one thing, and then him outside saying oh no, they didn't talk about that. And they sure as heck did talk about that. So he's got himself a serious problem here.

Again I go back to you. If you think this is so good, then pull this part of the Bill. Pull this part of the Bill. What's so difficult about that? I mean why are you afraid to go to court? If you are absolutely convinced, and the Attorney General's advice, MacPherson, Leslie & Tyerman say that this Bill is valid, well let's test it. Why are you hiding? If your Justice people say it's valid and your legal people say it's valid, then let people test it. Give them their rights. You've got to do that.

You've got to let them test this, pull this part of it, let them test it. Or else take it to the Attorney General, refer this to the Court of Appeal. One or the other. I mean either you're right or you're not. And if you think that there's no problem, then pull this. Or keep it in and refer it right now, and we'll be out of here.

But if you don't do either, it shows everybody, everyone, and will show them for ever, exactly what you've done and why you've done it. You got caught; you made a mistake. And you've changed the Legislative Assembly. You've changed the law. And you were too ornery to admit that there was a way out of this. Pull this part of the Bill or refer it. Either one, you're out of here.

That's a reasonable offer — on behalf of farmers, charter of rights, constitutional rights, your political career, the political career of a lot of rural members, the NDP history in agriculture. You've got a lot riding on this, Mr. Minister — a lot riding on it. Big decision. And life is choices. Campaigns are choices.

So again I come back to you. If you're absolutely convinced your lawyers are right and your legal advisors are right, then do one of two honourable things: pull the section that allows . . . that disallows farmers to have access to the courts, or again say to the Attorney General, you know there's serious public concern about this — legal and public. Refer this to the Court of Appeal.

Hon. Mr. Wiens: — Mr. Chairman, I would like to respond to the member opposite again by saying that I would be happy to review the reasons, which I gave several times earlier this morning and a number of times yesterday, why the provisions in this Act are necessary. I would be pleased to do it, if he would make that request again, but it is for those reasons that it will not be pulled because it is necessary for the reasons already given, which I can repeat if the member opposite wants me to.

The member again asks why this is not referred to the Court of Appeal. And I can only repeat again that an appeal to the court by the Attorney General, a reference to the court by the Attorney General is only appropriate when the Attorney General believes there is doubt about the constitutionality — genuine doubt about the constitutionality — of the provision the member opposite would like either pulled or referred.

The Department of Justice and a significant law firm in Saskatchewan have said that there is no such doubt, that the law is constitutional. And while the member opposite refers to other legal opinions expressed in the paper, it's not been common for government to determine their actions on legal opinions expressed in the paper. I think it's much more sound administration to in fact get legal, written opinions fully analysed to have on record, and that is the circumstance that we're in. And it would therefore be inappropriate to refer it . . . for the Attorney General to refer it.

I do repeat that the court system in Canada is constructed so that people who believe their rights have been violated have access to the court. And I believe the member opposite's appropriate action would be, if that were a sincere belief on his part, to pursue the clarification of that in the courts. That is why we have the legal system we do, so that people's rights in fact can be protected.

It's clearly the reason why the present Premier and once attorney general said he is concerned about the people's rights because in all that we do, we must be concerned about it which is why we were very careful to make sure that the legislation brought before us is constitutional because we are concerned about people's rights. And it's appropriate that they should be respected.

Mr. Devine: — Well you're just digging yourself into a deeper hole, and all this is public. I don't recall, in all the pieces of legislation that we've been trying to pass here, where the Premier, the NDP Premier talks about his concern over the rights of individuals and the rights of individuals with respect to the Charter of Rights and Freedoms. He's only talking about this Bill.

Now when you get the Premier talking about his concern over the rights being violated, the Attorney General saying this'll likely be settled in court, yourself admitting that this is going to be settled in court, lawyers saying this is unconstitutional and violates the Charter of Rights and Freedoms, you can't say, well we're okay because we've designed this Bill with enough whereas's and enough protection that we might be legal. It just flies in the face of everything that you're saying on the other side — behind the rail, outside in the media, and the individual members.

All of the individual members on your side of the House say, we absolutely messed this one up. And they talk about it all over their ridings. They talk to us about it. They talk to farmers about it. If they were brought into a court of law, they'd have to admit that.

And now you've got the NDP Premier, your boss, saying I'm concerned about the rights of people in this Bill. And that's where the PCs have their point. This isn't about some other Bill. This is about your Bill. So you've got all these people who have admitted that you've made a

serious mistake. Caucus let you get away with this. Got caught. And you're saying, oh the lawyers tell us we're fine. Well what's the probability of you being fine, given this piece of legislation? Not very good.

And certainly, you say to me in your history, the essence of your history lesson was, that well it's a little complicated. When we look at the contracts for farmers, they're a little complicated. Therefore we have to have this provision here in case they interpret it one way or the other. Well, well, well.

Because of the complication of agriculture, you're going to have to hide behind this Bill that doesn't allow them to get fair treatment. I don't like what you've done in the Bill. I don't like what you've done in GRIP. And it is complicated. I don't like what you did with speciality crops. And I don't like what you've done in all kinds of agricultural things.

And a lot of people disagree with you on fundamental principles. And yet you've hid behind here, because you say it's complicated. And people may have the wrong impression of what you've done. Or their contract on this, or barley, or canola, or various lines of defence, may not be clear, so that you'd better protect yourself so that you can't be sued. That's all that was in there.

And then you can say, well this will . . . somebody will take it to the court. I think you asked the farmers if they'd come up with $750,000 to sue you. Why would you do that? Mr. Minister, why would you . . . why do you put all these barriers between the farmers and justice? Why all these barriers?

The farmers don't have $750,000; they're going broke. Rural Saskatchewan is in a crisis. And you say, well you can go to court and the Premier says we'll go to court and the Attorney General says we'll go to court. And then you say, but the farmers have to come up with three-quarters of a million dollars to get access to court. But just in case they did have the money, I'll tell you what we'll do — we'll make sure that they can't get access to the government because we'll protect ourselves and hide behind this Legislative Assembly and this Bill. And to make sure that they don't get access to us, we won't refer it to the Court of Appeal.

Again, everybody, everyone, your caucus knows it's a cowardly act, let alone the public. Over what? Because you can't co-operate or negotiate with neighbouring provinces or the federal government because they're Progressive Conservatives and you're New Democrats — is that what it's all about?

And it's so important, and you dig in and you get so partisan you can't even talk about the benefit of farmers and families and Saskatchewan people? That's what it's all about. You've locked yourself in. You look extremely partisan, ornery.

So here we have all of the front bench admitting publicly and privately now, that this is a mistake. They're publicly worried about rights. They're in the newspaper talking about people's rights. It should be in court. You've got lawyers saying it's a violation of the Charter of Rights and Freedoms. And you're standing in here, and say well we have to have this Bill because, on this hour lecture on history, it's complicated out there. We have to have this protection so in case the farmer sued us on one part of this contract, he couldn't take us to court.

Mr. Minister, would you again — and I suppose you can go on at length — but would you again tell us why you think it's necessary not to let a farmer sue you or take you to court on changes that might affect his contract?

You see, you say there will be no action or proceeding against you on anything that you do in here — amendments to the GRIP agreement, gross revenue insurance contract or crop insurance, any term or condition or warranty or contract or inducement or promise or enticement, representation or other understanding that is collateral, any failure or alleged failure to comply with the notice of provision.

(1030)

Why, Mr. Minister . . . say, well you know, we make some mistakes now and then. Contracts are contracts. I know they're complicated. Why are you hiding behind this section which doesn't let him clarify it? To go to court clarifies it; it clarifies it . . . Say, well here it is.

You might be wrong on some of these. Fair enough. Which therefore if the farmer is right and you are wrong, you deny him right to justice. And if all of these things and tens of thousands of farmers . . . You've got cases where you have violated his contract. You might be wrong. He can't exempt himself from his obligation to the contract, but you have. Why do you have to do that? Why can't you just say we think we're right, but if you want to clarify it for justice, for justice's sake, you can take us to court. We can work it out there. Why can't you do that?

Because what that also does is keep you reasonable, keep you co-operating, and keep you compromising so that you are working with farmers and not against them. This is totally against them.

Again, could you explain why you are ducking on this and will not let the farmer have his day in court on these crop insurance contracts?

Hon. Mr. Wiens: — Well, Mr. Chairman, I didn't want again to be accused of making up long history lessons or taking up limited time that the opposition believes they have in asking these questions. But I think the member now is asking me to in fact to review those circumstances again, and I therefore will do it briefly, as briefly as I can.

First of all, a couple of clarifications on other matters. There is no bond provision, as the member opposite suggests, with respect to requiring farmers to put up money before they go to court. That's not so.

Secondly the member opposite was inferring that I had said earlier in my review of the circumstances that it was because it was complicated that legislation was necessary. It's not because it was complicated; it's because it was screwed up originally that it was necessary.

And let me just give you a brief review of that. The provisions of the federal-provincial agreement that the members opposite signed on September 18 last year, which in fact theoretically for the first time put in place the federal-provincial agreement with respect to the contract that the province had theoretically previously engaged in with our farmers in March, the federal-provincial agreement itself provides for an amending mechanism. The member opposite is probably aware of that. He probably participated in approving it. The amending mechanism is if the required numbered of provinces representing the appropriate amount of production in Canada agree on changes. Then changes to the federal-provincial agreement can be made.

Those changes are at that point effective on participants in the program. So that if today there were sufficient provinces representing sufficient production of grains in Canada agreed to a change in this federal-provincial agreement, it would immediately become effective on the farmers that it affected, not on March 15, not on any other day, but today. That's the provision of the federal-provincial agreement that the member opposite signed.

In the beginning of the program, because I believe there was a hurry to put into place a program because there was an impending election and the member opposite, not knowing whether he would call it in April or June or October, believed it was necessary to quickly put into place a program, a program that cost Saskatchewan taxpayers and Saskatchewan farmers I believe $157 million last year — $157 million that is loaded on top of another $14 billion or $15 billion of debt in this province.

This was a cost that had previously been borne by the federal government with respect to another program. But the member opposite participated in making that agreement in a hurry and bringing into that agreement details of the previous crop insurance program which required in the crop insurance program a specific notice provision, the specific notice provision that by March 15 farmers should be notified in writing of program changes so that they could by March 30 respond.

Now because I've already explained this twice, I'd appreciate it if the member opposite would listen to the explanation so that those who heard it the first two times wouldn't have to bear with me in explaining it again. If the member opposite would listen so that we can engage in a reasonable dialogue about this, I would appreciate it.

So that last spring when this was put together hurriedly, the provisions of the March 15 deadline were brought into an agreement which would eventually, when six months later the federal-provincial agreement was signed, together become part of a package.

The March 15 deadline in the first place, even as it was being brought in, was ignored because changes were made on an ongoing basis beyond that. Because the nature of the interaction of the crop insurance program with the federal-provincial agreement which described the revenue insurance program was never defined in law, nor the revenue insurance program was never defined in law, farmers nor the province ever knew what the legal contractual obligations were. Because in fact the document which is entitled revenue insurance contract, that document, that pamphlet that was handed out — and I don't know what the mechanism was; I suspect it would be very difficult to determine that every farmer actually got one of those because unless it was done by registered mail that would be unable to be assured — that document was not put out till May 1.

So that the information on which the farmers based their conclusions about what their contractual rights were with the government last year, were based on the communications they had had verbally with their crop insurance agents, from communications that ministers engaged in in over 100 public meetings that were held — 100 public meetings in which I think virtually in every one more changes were brought forward in the program, right till the meetings ended.

So that the understanding of what the contractual obligations were, were many and varied. Therefore farmers could, on the assumption that their communication with their crop insurance agent represented their contractual obligation, could hold the government up for that because there was nothing defining that that was not so. So that there could in fact potentially be 50,000 farmers saying, I believe this was my right under this contract; and another one saying, I believe this was my right.

Well it's not useful expenditure of time either for the farmer or for the government to get involved in that when the basic principles of the program were understood and followed last year. Farmers maybe didn't like the program and farmers eventually responded to that by attending rallies by the thousands last fall, saying this program does not give us adequate income, but they understood what their basic rights were under the program, that if they seeded X number of crops then the detail would be such and their payments . . . their premiums would be due on day X and their payments would be coming in three stages. And that was their understanding of the program.

But nowhere was that defined in law. So when we began to implement the new program, it has been necessary to define what the 1991 contract was. We have voided the requirement for notice. The member opposite has repeatedly talked about the breach of rights in that regard. Well the intent of the motion of the notice provision is so that farmers have an opportunity to receive information about the program and have time to respond.

In our procedures this spring, as I explained earlier, at the earliest possible time we gave notice to farmers through a press conference. We subsequently with other information, written and through meetings and through individual contacts, provided additional information. And we extended deadlines for farmers until May 15 in order for them to respond.

The question of whether that constitutes . . . whether our actions constitute legal notice or not, is a question that only the courts could ever determine after a great deal of difficulty around trying to determine what in fact the contract was. I think no one knows for sure whether that

would be adequate notice or whether it would not be. But it's clear that on March 13 we announced the program at the earliest possible date.

And we substantively met the intent of notice by informing farmers about the program and giving them a lengthy opportunity to understand the program and to respond. What's been done here is that we have voided the requirement for notice because it's impossible for us to know what would constitute legal notice under the circumstances of the undefined program last year.

So that we have in this legislation defined that the 1991 contract is as defined in the pamphlet that was sent out, which was previously undefined, and that we have voided the notice requirement. And the members opposite know that they have as well ignored that March 15 deadline, but because it's also absolutely impossible to put together the provisions of the federal-provincial agreement and a specific notice time.

So what the new legislation provides is notice that says as soon as there is an amendment to the federal-provincial agreement, that producers will be informed. Because there is no other practical way around bringing together the federal-provincial agreement and the need for farmers to know. So it is very much in the interests of farmers that that clarification has been made. I think that answers the questions the member opposite asked.

Mr. Devine: — Well, Mr. Chairman, I don't think that answer would stand up before a judge or a jury. As everybody knows that other jurisdictions made similar changes. There were no campaigns going on in Alberta and Manitoba, and they went through the same process of changes, a national program. Provinces are co-operating on a national basis.

So you come up and say, well we had to do it in Saskatchewan this way, and the changes were here only because there was an election. That's not the fact. These changes, GRIP changes, revenue insurance changes, discussions on third line of defence, went on in Ontario, Manitoba, Saskatchewan, B.C. (British Columbia), Alberta — all over the place. So that's not valid, not valid at all.

Did we initiate change in crop insurance? Absolutely. The PCs have always been there to listen and to respond quickly to changes that might be necessary for rural people. And we were instrumental in making changes in a national program so that they would help Saskatchewan, particularly in the event of drought. And that was respected by people in Alberta and Manitoba. And as a result of meetings and campaigning and working hard and lobbying in Ottawa, we got in excess of $13 billion extra cash coming into Saskatchewan's coffers that's spent all over the province.

Mr. Minister, we don't buy the argument that this was so loosely defined and undefined that you had to bring in all this protection so you wouldn't be sued. You didn't even address that. You have no idea why . . . and the public doesn't after your description and explanation. It's not an explanation.

I wonder if the minister would describe to me what he thinks the farmers' options would be in the event this Bill passes — and the farmers are suing him now — what impact this Bill will have on the court case that is before the courts now. And if in fact this legislation — which you hid from the public; you wouldn't let them see this legislation, but you hid it — and finally if this legislation passes, what implications this would have for the farmers that are suing you now in the case they have. And then what could they do? You say they can always have access to the courts. What else could they do?

(1045)

Hon. Mr. Wiens: — Mr. Chairman, I just wanted the member opposite to remember that we attempted to introduce the legislation implementing the 1992 GRIP program on June 10. There was no attempt to hide it and there was no attempt to treat it any differently than any other piece of legislation. It is now ahead of my farm debt legislation which hopefully will be coming here soon as well.

We attempted to introduce it on June 10 and it was in fact hidden from the public for several months as a result of the blockading efforts of the members opposite. It's been our intent from the outset to respond to appropriate guidance from farmers and that's the process that's here been followed.

In terms of the program that's being implemented, the member opposite ought to be aware that there was a press release went out last fall inviting farmers to respond, to indicate what kind of program changes they wanted, on the heels of an election that made it clear that the farmers of Saskatchewan were unhappy with the kind of leadership they had received from the members opposite, on the heels of rallies at which between 10 and 12,000 farmers gathered.

The committee that the member opposite himself put in place began to do its work, asked for public input, received information and briefs and discussion from 300 groups and individuals, so the public had as broad an input as the member opposite designed the process to give, as broad access as the time that followed the election allowed, since there was not significant work done by the committee before the election.

So the committee did a very thorough piece of work leading up to the middle of January, the middle of February. The information was made available on February 11. A number of discussions followed that. The program was announced publicly on March 13. So there has been an open process of consultation, an open information sharing, and a very broad . . . I think a broader attempt to make sure farmers understood the changes than have ever . . . has ever occurred before.

I believe if the members opposite had engaged in as broad a process in coming up with the program, the original concerns might well never have appeared in the legislation or in the program. We have a producer committee report which has guided this new program, a committee representing major organizations in the province, representing the United Grain Growers,

Saskatchewan Wheat Pool, western wheat growers, SARM (Saskatchewan Association of Rural Municipalities), the cattle feeders, the soil conservation association, the canola growers. There were — and I may have left some out — there was a broad representation by these people.

I don't know if the member opposite has a committee report to offer the public recommending the actions they took in the spring of 1991. I might ask the member to address that. What was the basis of consultation? What was the basis of public input that caused the program to be brought forward in the fashion that it was in the spring of 1991? I don't think anybody knows that.

So the fact is that there was broad consultation and open information sharing. And I want the member opposite to know, having acted on the recommendations of the committee this spring, that we intend again to give the opportunity to the farmers to respond to this program as we continue to try to make improvements in farm support programs for farmers in Saskatchewan, as we continue to fight for their due rights for income protection from the federal government, the federal government that has committed itself to that end, the federal government that the members opposite have accepted several hundreds of millions of dollars of off-loading to the province, off-loading to a province that has only 4 per cent of Canada's taxation capacity, the responsibility of paying for one-half of Canada's bill on fighting the international trade wars while the treasuries of the United States of America and the treasury of the European Community pay for their farmers and fight on their behalf.

The member opposite has made arrangements over the last number of years to accept, on behalf of the federal government, the responsibility for Saskatchewan taxpayers for 4 per cent of the tax capacity of Canada to pay for one-half of Canada's liability as a result of the trade wars. That's the reason farmers are hurting in Saskatchewan and that's the reason we'll continue to fight to make sure that the federal responsibility is met, and we'll continue to try and make improvements to the program through consultation with producers.

Mr. Devine: — Mr. Chairman, I'm just going to make a couple of quick points and I'm going to refer some of the information to my colleague. I point out, Mr. Minister, that you would not show the public the Bill because you knew it was this Draconian. You showed them Health Bills; you showed them other Bills; and we asked repeatedly, just show us what you're going to do. And as this Bill turns out to be, it was a cowardly act and you were afraid to show the public the Bill before because you had this awful paragraph in there. Why were you afraid to show them? Now that's fact. You can't blame us for that. You can't blame the farmers for it. You did that.

Secondly, this GRIP and NISA (net income stabilization account) program was national. Why do you say it was only in Saskatchewan? All across the country — it's a national program, that we've signed up. Saskatchewan initiated many changes, and people are happy with that. Alberta farmers are happy with the things that we've done over the last 10 years, Manitoba, Ontario people as well.

Third, I'll point out the cost per capita of our programs, Mr. Minister — and this is where you're really out to lunch, really out to lunch — the cost per capita of GRIP is $160 in the province of Saskatchewan. And in Ontario it's $4. Right? He nods. The benefit to Saskatchewan people is $1,090. The benefit to Ontario is 27. And you've turned that down. Some sort of wild logic where you say, oh we have to put up more.

But what if you get, not $27 back per person but a $1,090 back per person. Would you turn that down year after year after year? And you'd say, oh my gosh, the Tories and Grant Devine, they charged you $160 and they only charged Ontario people $4. Right? What did you get for that investment? Billions and billions and billions of dollars came in here, which was way more than our investment. One thousand and ninety dollars is what you got per capita here for that investment; in Ontario you got $27. Not a bad arrangement. Thirteen billion dollars came in here. And now you've cut all that off, and you're saying you're going to get more money from Ottawa.

Number one, the changes were national. Number two, you never got any more money from Ottawa. Number three, now farmers who have suffered from drought — admitted by Hartley Furtan and others and academics that there's no protection in '91 — now suffer from frost, serious frost that went across northern Saskatchewan last night. They don't have access to any kind of coverage that they had before.

And a farmer could be out . . . If he had a thousand acres — 500 of wheat, 300 acres of canola, a couple hundred acres of lentils or beans — '92 versus '91, he is out tens of thousands of dollars on his farm as a result of what you've done. And Saskatchewan people are out literally, literally out hundreds and hundreds of millions of dollars, which added up to billions of dollars because you won't invest $160 to get 1,090 back.

And you stand up and say, oh well but we can't be involved in this insurance program because it costs Saskatchewan people more. It costs them more, but why don't you talk about the benefit that comes back to the farmers? I'll tell you, on Monday you tell farmers how good they are, how well off they are — with drought and frost and the loss of '91 program and the fact that you can't participate.

And your Crop Insurance Corporation, which is a multibillion dollars corporation set up for insurance, can't honour contracts in insurance. It's an insurance company. If there's a hail-storm goes across Regina and you're insured by SGI (Saskatchewan Government Insurance), SGI covers it. If there's a drought and some other things that happen in agriculture, that's what crop insurance is for — not to hide in here. Cover it. That's why people take out insurance.

And you stand up and give us a history lesson about well gee, we've changed things. Well they changed in Albert and across the country. You're the people that have hid the Bill. You're the people that are in court, and you're the people that are going to have to explain to all these farmers that haven't got any crop, why the only thing that you can really do under your particular program is hope

you get a crop, hope you get a crop. And then maybe you'll get some money on top of it.

And the ironic part is that . . . And you were beating all over these people who were growing specialty crops. And you say, only because of these crazy moral hazards are they there. And they're way up this year, all the acreages. Lentils are up, despite your mistakes, because they're drought resistant, and they're good cattle feed. And prices are higher — $10 a bushel for lentils and $2 for wheat, what would you grow? Come on.

Anyway, I haven't heard a valid argument of any of this stuff that you've been talking about this morning. And the information that I've got is that you haven't got any valid arguments. You got caught. You made a serious mistake. Nobody else is in court. People aren't doing this in Alberta and Manitoba and Ontario and any place else. The other Ag ministers or people that I talk to across the country, they just, I mean they can't understand it.

So I've had no satisfaction in you describing any justification for what you're doing here. You obviously haven't dealt with the part of the Bill that protects you from legal action. Nothing to do with it. You said it's complicated or it's the same in Alberta and the same in other jurisdictions. They've made changes. But only here do you do this.

So, Mr. Minister, you can give us all the history lessons that you like and all the arguments how you've got all this money for people. There is a serious income problem there. The federal government has never put so much money into agriculture. And yes, we put money up and leveraged it to a very, very large extent. And you've cut all that off. You even had offers now from the federal government to go out and help more, and you said no.

As the editorials say, you've backtracked on so many things. All we're saying is the honourable thing to do in this one would pull the provision of the Bill that denies people rights, or at least refer the Bill and then we can all get at it and talk about it.

But if you won't do that, all you've done is admitted to me and to the public that you're wrong. You're hiding behind the legislation. You didn't have the courage to tell us what it was about to start with, and you don't have the courage now to refer it to any kind of court.

And you still never told me what farmers do if this Legislative Assembly denies them rights to the court, what do they do now? What do they do now? So you can address all of those, Mr. Minister.

Hon. Mr. Wiens: — Just briefly on the final point before I address some of the other points the member asked. The process farmers would use would be to continue their actions that they have begun. The government would use in its defence the legislation once passed. The farmers would, if they believe the legislation was unconstitutional, challenge it. If they were to win that, then they would come back and continue to fight their case in court. If they were to win that, then they would have the option of suing the government for damages with respect to the matters raised. That's the simple answer to what the member opposite suggests.

I want to respond to a number of the things the member opposite has raised. Because he again puts into question the recommendations of the body that he originally put into place.

The GRIP-NISA review committee structured under the legislation passed by the members opposite which didn't bother to contain within it the description of the program but did contain within it the process for review of the program.

The committee that was put in place, the committee of respected farmers who also sit as representatives of their organizations on a variety of bodies and represented their organizations at this committee, identified a series of difficulties with the old program. They raised the issue that they call moral hazard in the program. The issue of moral hazard they describe as incentives in the program to farm differently than one would if one didn't have the program.

(1100)

And the member opposite raised the question of farmers responding to the market with respect to lentils. That's very good. That's what farmers like to do. That's what farmers have always done. That's what farmers did until, as the committee observes, until the new GRIP program in 1991, the old GRIP program. When that came forward, the committee observed — not I — the committee observed that the program demonstrated moral hazards including causing farmers to use fewer inputs than they otherwise would have.

Now the choice of input use by farmers is their legitimate decision. Some choose to use none; others choose to use many. The committee's observation was that the program had a moral hazard because it encouraged the reduction of input use and encouraged inappropriate farming practices. I'm not saying that; that's what the committee said. In each case they say the net returns are maximized by reducing farmer costs and maximizing GRIP payments. This is the committee's analysis, the committee that the member opposite constructed.

The committee responded by making a number of recommendations which I'll get to in a minute. But the contention of the committee was that in a farm program farmers ought to be able to expect that if they make an additional investment in their operation, whether that be in technology that results in better production; new equipment that does a better job of seeding, for example, a direct seeding kind of technology; if they engage in different cultivation practices, for example, the wide-blade technology that reduces the removal of trash from the surface of the soil; if they engage in chem-fallow in order to retain trash — these are all choices that individual farmers have in terms of their farming practices. And they need to assess whether those practices allow a return on their investment in those practices.

Now the observation of the committee was that under the 1991 GRIP there was no incentive for farmers to consider

additional . . . (inaudible) . . . It doesn't mean they didn't do it. Lots of farmers still did it, of course. Lots of farmers still said, well I want to do this because that's how I believe I want to farm.

But it removed any opportunity for them to be compensated for doing it because under the old program, whether you got a 5-bushel crop or a 40-bushel crop, you got the same return. So that a farmer who anticipated producing better than he had in the past or better than she had in the past by engaging in different farming practices, responding to new research and new information about better farming practices, would have no way of recovering that additional return from farming because of the program. And therefore the committee observed that that was a moral hazard in the program.

They identified adverse selection, that because one of the serious flaws in the program from a number of perspectives, the 15-year index moving average price, because it has no bearing relative to the current market, gave signals to farmers that were completely inappropriate because some specialty crops had very high guarantees. And even some traditional crops had high guarantees relative to other traditional crops.

And in the example used by members opposite yesterday, for example durum, a very common crop in Saskatchewan — there are several millions acres of it grown — the guarantee under the program was $4.56 a bushel, whereas hard red spring was at $4.15 a bushel.

Well for most of us the yields on those two crops tend to be quite close, so that such a price difference in the program would significantly give a signal to a farmer who was wanting to maximize their returns.

And if the farmer believed that in constructing a program the government knew what it was doing and therefore responded to that signal and said I think it's a good idea, it seems like the government thinks it's a good idea, it looks like I should grow this crop, in spite of the fact that at this very same time that that additional 30 or 40 cents was being signalled by the program for durum, the market was saying to the tune of 50 to 70 cents lower, that one shouldn't; i.e., the program guarantee for durum was 30 or 40 cents higher than hard red spring. The market was 50 to 70 cents lower for durum. The committee identified that as a problem that would cause producers to make selections on crops not based on the market-place. And they called that adverse selection.

With respect to the issue of resource neutrality, they said because one can, in the old program, convert the use of lands and maximize profits, that there was a temptation to convert forage and pasture lands into grain land. Now those wouldn't have been decisions farmers would have made without that signal. But their conclusion is that the seeding intensity and the use of land was impacted by the 1991 program. And they said that was a resource . . . that was a negative effect on resource neutrality.

And they said program administration was a problem. The GRIP required too much administration. They required establishing long-term individual yields. Under the circumstances that were there before, caused difficulties. And measuring bins caused difficulty. So there were three areas of efficiency that they addressed.

And of course they said farmers were upset about the complexity of the program. They said one common theme farmers expressed to them was why can't the program be simpler?

They addressed the concern, that because of these circumstances in the program there was a large premium load in the program. The premium methodology for GRIP includes a load for the moral hazard and program abuse and adverse selection factors. So that the committee identified a number of things that caused premiums to be higher than one would otherwise like them to be.

And they addressed the concern about the IMAP (indexed moving average price) formula, to say that the long-term average moving price had no reflection of current world price. They examined a number of options in which to deal with this. Just so the members opposite are aware, the Leader of the Opposition, several minutes ago, referred to changes that were made in Alberta and Manitoba. That's true. They were made last year. They were not made by the members opposite. In Manitoba and Alberta last year, they used the Jackson offset and they used the superior management adjustment to make changes. There were other alternatives in different parts of Canada that were used in order to define how the program should work.

The fact is that the program combinations across Canada were different in every province. And in the West, when the members opposite suggest that there was common program features, the fact is that Saskatchewan stayed with a very strict interpretation of what they believed the program should be. While already last year, Manitoba and Alberta made changes that moved away from the kind of interpretation Saskatchewan gave the program last year, Saskatchewan didn't move with them. Saskatchewan didn't go with the common program in the West last year. Saskatchewan stayed firm to a full offset program, while in Alberta and Manitoba, changes were made in that regard.

The committee concluded, having observed the changes that others made and understanding the federal-provincial agreement — because four of the members on the committee were on the national GRIP committee — they concluded that significant changes should be made in the program, but within the context of the federal-provincial agreement.

They concluded that GRIP should be provided a separate crop insurance and revenue insurance programs. They concluded that the crop insurance program should operate as it was prior to 1991 and that the crop insurance price be set at the same level as the market price used in the revenue insurance program.

They concluded that the revenue insurance program should operate more as a deficiency payment type program. They concluded that no offsets between price and yield should be included in the revenue insurance program. They concluded that both crop insurance and revenue insurance should reflect the management

abilities of individual farmers in determining coverage and payments. And they concluded that only the revised program be offered to farmers in 1992. Current GRIP should not be continued as an option to farmers.

Well the Leader of the Opposition has been attacking the recommendations of this committee. I ask the Leader of the Opposition whether he has a similar document from a broad group of producers in Saskatchewan that encourage the members of the opposition to implement the GRIP program as it was implemented in 1991. I don't believe there was such a consultation process. I don't believe that there was any basis on which to assume that producers favour the kind of GRIP program that was introduced in 1991.

And I will be the first one to admit that the changes that the committee has recommended and the changes that we have implemented do not correct all the flaws in GRIP. We are not in a position where we can unilaterally change that. The members opposite have talked about unilateral change. Well we are not in the position where we can unilaterally change a federal-provincial agreement. We are stuck with the GRIP program constructed by the members opposite. And a group of producers have said we need to alter it. And the program has been altered consistent with the recommendation brought forward by the producers that were asked.

Now I've said it before, and I'll say it again today. You can't make a silk purse out of a sow's ear. So we've tried to make some improvements, but clearly the indexed moving average price is an inadequate response for farmers. Clearly the nature of the pay-outs are unacceptable to farmers. The cost of the program is unacceptable to farmers. That is not within our capacity to unilaterally change. The changes that have been brought forward this year are consistent with the provisions of the agreement. And they will be reviewed again over the next year.

The member opposite in his earlier comments had referred to what our government has done with respect to farmers in this province. Well I need to review for the members opposite the fact that we have been engaged in exercises with farmers since the day we were elected, the day we took on the challenge of putting on the national agenda the income crisis for Saskatchewan and for western farmers, a challenge that was not joined in by the members opposite.

The Leader of the Liberal Party joined in. The Agriculture minister from Manitoba joined in, representing the Alberta province of the same political stripe as the members opposite. Other western leaders joined in. But the Saskatchewan caucus of the Conservative Party did not join in. Members of the opposition did not join in in this effort to identify nationally the income crisis facing farmers.

That was the first initiative and we succeeded in putting back onto the national agenda the issue that had been forgotten during the recent term of the members opposite.

We began the GRIP review as we've just discussed with respect to correcting the flaws of the program that the members opposite began. We began the process of reviewing the farm debt difficulty of farmers in Saskatchewan, an initiative avoided by the members opposite, an initiative that had been ignored by the members opposite.

Again a broad group of farmers and lenders and others sat down around a table and co-operatively designed a solution to address farm debt in Saskatchewan, concluding that farmers ought to have the right to stability of tenure when as a result of the circumstances that they find themselves in financially, that they have not been responsible for creating, that they would have security of tenure on their land if they suffer the unfortunate tragedy of having to give up the land that is their home.

That legislation is in the process of being put in place and again I ask the members opposite to co-operate to assure that their colleagues in Ottawa co-operate on behalf of farmers. It's an initiative that is essential to the maintenance of security for farmers.

The members opposite talked about these measures being budget driven. Well the committee report was driven by the analysis of the people on the committee. When this program was recommended to government, clearly it was of interest to government that we should try to use programs that represented the best use of taxpayers' dollars in Saskatchewan. And so it would have been folly to have rejected a program that more appropriately used tax dollars than to reject it and so that's what we did.

(1115)

The members opposite say that we have removed substantial amounts of support for agriculture in Saskatchewan. Well I want the members opposite to know that 80 per cent of the Department of Agriculture and Food's budget continues to go to agricultural support. To say that in the process tough decisions have not had to be made would be not telling the truth.

I tell you that every ministry, every department of this government made tough choices this spring. Every department had to make tough choices, because the first priority of this government on behalf of farmers, on behalf of taxpayers, on behalf of all the residents of the province, small business and large business alike, is to bring the financial management of this province under control.

It caused a great deal of difficulty for each of us, because each of us had to make tough choices about programs, about balancing programs. And yes, in the Department of Highways we took a significant reduction in the amount of money spent, as in every other department of government. And the result of that kind of analysis suggested that we needed to take some measures in reducing both capital cost and maintenance cost. And yes, we have $5.4 million fewer in the 1992 budget for the maintenance of low volume, thin asphalt surfaces in Saskatchewan than we had before. And yes, that has an impact on communities affected by that.

But I want to tell the members opposite that we will talk to the public and consult with the public in terms of how

they would have us address that. Because the public knows we have no money tree. The public knows that when we have tough choices we need to decide where we take money from and where we do not.

And if the members opposite have some magic solutions about whether they want to take money from the Education budget to add to the maintenance budget for Highways, or whether they would like to take it from the Health budget to add to the maintenance budget for Highways, or whether they would want to take it from the Agriculture budget to add to the maintenance budget of Highways, let the members opposite consider those very tough priorizations. Because that's the action we've taken as a government this spring and that's the action we will continue to have to take as we face the future trying to bring the financial measure of this government under control.

And within the budget of the Department of Agriculture we have also taken tough measures, as the members opposite have sometimes criticized us for doing. Yes, we have had to change the livestock cash advance system within our department, not because we didn't believe farmers could use that but because we had to reduce our expenditures somehow across the board in government in order to secure the financial stability of the province.

And I know that farmers and business people alike across the province believe that it's important to put the financial dealings of the province in order so that we have a long-term stability in the province, so that we have an ability to service the programs that we can still afford within the province. Nobody's denying that these have not been tough choices. Nobody's denying any of that.

But I want to also say that in response to some of the tough measures, we have engaged in consultation with the industries affected. We're going to be analysing collectively with farmers in Saskatchewan, the transportation issues. We have looked at the debt issues with farmers. We've looked at the GRIP issue with farmers. And we are going to be looking, as soon as we get a chance to set it up, at a collective examination of the red meat industry in Saskatchewan.

The red meat industry has come together to talk to us to finally, after 10 years of non-consultation by the members opposite, finally they're going to have the opportunity to work with government, to look to the future, to see where our opportunities are. Yes we know those opportunities are going to have to be addressed in an environment where there is less government money. That's just a fact of life.

The fact of life is that when you have a $14 billion deficit and when you have a $760 million interest bill, that everybody has to live with a little bit less. That's the unfortunate fact that we inherited. That's an unfortunate fact that all of the people of Saskatchewan understand. And the only people that do not understand it is the 8 or 10 members opposite, that sit here and pretend that this reality is not so.

So the overwhelming first priority of government is to establish on behalf of the people of Saskatchewan . . .

An Hon. Member: — Point of order, Mr. Chairman.

The Chair: — What is your point of order?

Mr. Muirhead: — We suspect on this side of the House that he's only moving his lips and there's a recorder going inside.

The Chair: — Order. That's not a point of order. I caution the member to not interrupt speakers for less than valid reasons.

Hon. Mr. Wiens: — Well I want to say that it is our commitment to work with farmers in an environment of fiscal restraint to design better programs, to design programs with farmers, and not by us for them. We want to work with them to design the kind of future that is consistent with the fiscal reality in the province and consistent with the very positive energy that farmers have and the very positive future that Saskatchewan's agricultural sector has if we put it on a sound footing.

I want to say that the member opposite has talked about the idea of how we have attracted federal money to this province. I want the member opposite to answer for me how this seems to be a calculation he is proud of. How much money did we spend in 1987 on the crop insurance program? He says that our money attracted federal money. Well that simply isn't so. The federal government paid half of the bill for crop insurance until 1989, at which point they took half of their share and gave it to Saskatchewan. Now how is that attracting federal money to the province? That's a cost of 40 to $60 million.

We had a drought program in 1988 that the members opposite committed $100 million of Saskatchewan money to, again in a crisis in Saskatchewan. In a crisis in Saskatchewan when Saskatchewan needed help, Saskatchewan was asked to put up $100 million. And we're beginning now — in the face of this kind of budget crisis — now in 1992 we're faced with the prospect of paying back a commitment made in 1988 for a drought program that had traditionally been federal responsibility. And in 1991 the member opposite says we attracted federal money.

Well tell me, how much provincial money was spent on western grain stabilization program which preceded the GRIP program? No provincial dollars were spent on that program. And the replacement program, the GRIP program, cost $157 million. That's the fact. The federal responsibility has been taken over by the province. It has been off-loaded to the province and the province is hard pressed to be able to pay that bill.

But accept the fact that that commitment was made by the members opposite. Accept the fact that that is the reality in which we live. That commitment to those kinds of funding arrangements was made in exchange for a commitment by the federal government that they would provide emergency funding for circumstances — when incomes were reduced — by circumstances beyond the control, by unforeseen circumstances.

Well unforeseen circumstances and disasters include

drought; they include frost; and they include international trading practices of other countries. Those are not the responsibilities of farmers and the province which is driven to near bankruptcy by those realities. We ought not to be asking farmers, when their incomes are at an all-time low, to be paying more and more and more towards their own survival. I mean, I have said it before and I will say it again, that's like trying to give yourself a blood transfusion when you're bleeding to death. Farmers cannot do that and the province cannot do that.

So I ask again for the members opposite to change their mind on the position of asking the federal government for their appropriate level of support, the support they committed when the province took on those major funding responsibilities that I've just described. I ask them to stop voting against the question of third line of defence, to stop trying to take the federal government off the hook, and join the farmers of Saskatchewan and the Government of Saskatchewan, and the government of the other western provinces and the farmers of the other western provinces, to ask the federal government to meet the commitment that will provide some relief for the income pain that farmers experience.

Mr. D'Autremont: — Thank you, Mr. Chairman. The minister has gone on *ad nauseam* here for at least 35 minutes on a question. He's taking up all the time that is allocated for this under closure, when we're only allowed a certain amount of time. He's been flapping his lips and gums for over 35 minutes, and yet he has been spewing verbal garbage such as the Minister of Agriculture from Manitoba attended the conference in Ottawa and represented Alberta. Well, Mr. Chairman, that is absolutely not the case. If the minister of Manitoba was there, I'm sure he was representing the people of Manitoba, not the people of Alberta.

I will keep my question very short, Mr. Chairman. The minister has talked about how farmers under the '91 program used market signals . . . or did not follow market signals and market values in determination of what they would seed. I'm just wondering, how has the minister determined exactly what the market value was for durum in 1991?

Hon. Mr. Wiens: — Excuse me. I was briefly interrupted at the final moment of the question. Could you repeat it? Then I'll try and answer it briefly as well.

Mr. D'Autremont: — How has the minister determined what the final value is for durum grown in 1991 crop year?

Hon. Mr. Wiens: — The final value of durum grown in the 1992 crop year will be determined at the end of the crop year as always.

Mr. D'Autremont: — Well the minister has been talking that farmers didn't observe market signals and played games with the GRIP program because they somehow knew what the value was going to be for their crops. I'm just wondering how has the minister determined for the 1991 crop year how the farmers knew what the prices were going to be. So how could they play with the signals?

Hon. Mr. Wiens: — I'm not sure I'm understanding the question correctly. But with respect to how the program determines its assumptions for the program, is by using the national grains bureau's numbers. The national grains bureau is asked to make its projections for pricing in constructing the program estimates. Is that the question?

Mr. Boyd: — Thank you, Mr. Chairman. Mr. Minister, you said earlier on here this morning that the market signal was clear that showed that durum was 50 cents a bushel higher than wheat. And that was the reason why farmers opted for durum. And you're suggesting that that was indeed the case, that the market will bear that out. Now I'm just wondering how he knows whether indeed the final payment for wheat and durum, when it's realized later on this fall . . . winter, into early winter, how he knows indeed whether that will be the case.

Hon. Mr. Wiens: — I may have misspoken myself, if that is what the member understood from my previous comments. I'll try and clarify it briefly.

The comment I was making was that in the 1991 program, the program estimate for durum was $4.52 or $4.56 per bushel against the wheat program price of $4.15 a bushel. The market reality, as we have moved through, has seen durum priced substantially lower than hard red spring — not higher, lower than hard red spring.

An Hon. Member: — How do you know that?

Hon. Mr. Wiens: — Well that's been the market signal at the time. Certainly the end of the year numbers aren't finalized till later. But those would have been the signals at the time, if one reads the market.

So that what . . . the point I was making was that under the old program the market signal could be in conflict with the program signal, and the observation the committee made was that there ought to be market neutrality with respect to the program. That's the only point that was made, that the program ought to be market responsive. That is to say that the program should be designed in such a way that farmers would make their decisions in the same fashion that they would if no program were there.

(1130)

And I know that's very difficult to achieve. I think yesterday the member from Arm River said that there was still moral hazard in the program with respect to guiding farmers. I think that's so. I think the officials that I've had look at it, both internally within the department and externally, suggest that about 80 per cent of that influence on farmers has been removed by the program changes and about 20 per cent remains. I don't think anybody would quarrel with the fact that there is still some guidance to farmers in the program, but that the largest part of it has been removed. Their object in the program was to leave . . . to make a program design which left farmers free to make their decisions based on as normal a circumstance as possible, trying to respond to the market and what they can best grow in their farms.

Mr. Boyd: — Well, Mr. Minister, there's no way that

anybody could determine that because the market signal, while you say it was 50 cents a bushel difference, there's no way that you or me or anyone else knows what the final price is going to be realized at the end of the day. And indeed it's not 50 cents; it's closer to about 35 cents; 37 cents is what it is — 4.15 to 4.52.

The fact is that you don't know that the market signal did show that, and I don't know that the market signal showed that, because the Canadian Wheat Board prices aren't transparent. We don't know what they were selling it for. We can only assume that their market price, there may have been a difference in there, but there's no way that any of us know that.

Mr. Minister, the market signal cannot be determined particularly just because the Canadian Wheat Board asking price for one is higher than the other. We've seen circumstances lots of times in the past where the market price, the realized market price relative to the asking price of the Canadian Wheat Board changes, and changes rather dramatically. It can go anywhere from a low of about 50, 60 per cent all the way up to a high of, in some cases, a deficit situation where the Wheat Board has been paying an initial price higher than what the actual market return was.

So I don't see how you can stand and say to us that the market signal clearly showed that durum was going to receive less than wheat was when you don't know that and neither does anyone else. The best guess that your officials might be able to provide for you is still a guess and still an estimate.

So, Mr. Minister, I'd like for you to stand up and tell all the durum growers in Saskatchewan that the market signal was 37 cents a bushel difference, and that will clearly be borne out when we see the return at the end of the day.

Hon. Mr. Wiens: — I don't need to tell the durum producers of Saskatchewan anything with respect to their conclusions about growing and marketing durum. They well know how to read the stocks-to-use ratio in the world. They well know how to read the supply relative to the demand. They well know how to read the international markets in terms of what's happening.

The fact is that for a number of years durum traded at a substantial premium to wheat on the international markets which is then rolled in to the 15-year indexed moving average price. But the fact is that now . . . but now it's flipped, and it's flipped for a reason. It's flipped because of a market reason.

And the farmers did make a determination of what caused them to grow crops in the time before there was GRIP, and that determination was made by their reading of the market. Sometimes it was made by their reading of government. I know of farmers who try to see what government was encouraging and then do the opposite because they felt that was the smart thing to do. Farmers have used many kinds of rationale in terms of deciding what to grow.

But they all have access to current market information. They all have access to good information on the world supplies. They all have access to the outlook reports to say, where do we think this market's going over the next period of time, and what is the world supply?

And the conclusion — I hope the member opposite is not challenging me on this — it is the recommendation of the committee that there should be market sensitivity in the program, that there should be market neutrality in the program — not a particular bias but market neutrality.

I am simply reflecting in legislation, and have accepted, the recommendations of a producer committee which did a much greater in-depth study of this than I personally have done. This committee has access to the resources of the organizations that they represent. This committee has access to all of the market information that others have. And they had access to each other, so that could be integrated in them putting together a recommendation for government.

And it is their recommendation that there should be market neutrality so that in fact we don't, through a government program, pay producers to grow something that the market is not crazy about having. Because that in the end results in serious cost to taxpayers and an inefficiency in government programming.

Mr. Boyd: — Well, Mr. Minister, it's you that made the comment that the market would show that durum was 50 cents a bushel difference than wheat. It wasn't anyone else. I didn't make that comment. You made that comment, that market signals showed that they . . . durum . . . the reason why a lot of people went into increased durum production was because the program showed that they could receive more.

And yet, Mr. Minister, if you look at actual farm situations you'll find on almost every circumstance that when you take into account the premium differences between durum and wheat, substantially higher premiums on durum than on wheat, you'll find that the difference translates down to less than a dollar an acre in a lot of situations.

So the market signal was neutral at best between durum and wheat, I would suggest to you, sir, if you look at the difference in the premiums as well as the difference in the price relative to those grains.

I'm just wondering about one other quick question I have before I turn it over to my colleague, and that's with respect to the '92 program. I wonder if you could give the producers of Saskatchewan an update on when they can expect the first price . . . the initial . . . or I mean the first payment under the GRIP '92 program, the second payment under the '92 GRIP program, and the third payment under the '92 GRIP program, both with respect to the crop insurance component and the revenue-side component.

Hon. Mr. Wiens: — Mr. Chairman, just briefly to respond to the point on durum, I don't pretend to be a durum marketing expert or to pretend to know what a market difference was on any particular day. I was suggesting as an example of the observation that the committee made about the program not being market neutral, an example

of what that might be, and I think it's an example that it's fairly close to the truth in terms of the numbers at the time.

With respect to pay-outs, the pay-outs under the 1992 program will be exactly the same as the pay-outs under the 1991 program because they are determined by the federal-provincial agreement. Now the exception is that farmers should be able to, under their crop insurance program, receive payments as they always did under the crop insurance program because those programs do not need to be phased. The revenue insurance will be paid out in the same manner as last year, with 35 per cent coming in November, up to 75 per cent in March, and the final payment, after all the calculations are done, I think are now expected for last year to come in February 1993 and will be expected to come for the new program after the end of the crop year, sometime in early 1994.

Mr. Boyd: — We can expect the same relationship to the revenue-side component of the equation?

Hon. Mr. Wiens: — I possibly didn't make myself clear. The crop insurance, where people chose the fixed-price option, will be payable in fall or could be deferred by the producer as they choose, under the new program. So that you return to the old structure that Crop Insurance functioned in when it was independent.

With the market-price option, because we need to wait until the final prices are determined, it will be paid out in a staged fashion like the revenue insurance, and that was the schedule I gave you before, was the expectation for revenue insurance. And it will be paid out 35 per cent in fall, 75 per cent in March . . . up to 75 per cent in March, and then the final payment will come shortly after the beginning of the year of 1994.

I should say again that if the estimates . . . if pricing changes in the market-place affect program payments, the same feature that has frustrated many farmers — angered them this spring — where a change in the price resulted in a conclusion that they had been overpaid in the fall period and that they in fact have received more than 75 per cent of their eligibility up to that March payment, the rules still apply that those people would be required to pay back the excess before they receive their final payment.

That's a frustration, I know. It's a part of the federal-provincial agreement. Part of the . . . one of the things that is an irritant to farmers, and clearly one of the things that ought to be addressed.

Mr. Boyd: — Thank you, Mr. Minister. Just one final question. You had suggested that you were not an expert on durum marketing, you're not an expert on wheat marketing, you're probably not an expert on any of the marketings, I would hazard a guess, and neither am I. But why then, Mr. Minister, did you send a letter out to farmers in the spring, suggesting that they should opt for the market-price option, when you've suggested yourself that you're not an expert; but why then did you say to farmers that that was an option that you suggested would be a good option for them to look at?

Hon. Mr. Wiens: — Mr. Chairman, I don't believe I sent that letter out. But my honourable colleague, the minister in charge of the Crop Insurance Corporation and the Minister for Rural Development and the minister for Parks and the minister in charge of the Water Corporation, this honourable colleague I believe sent out the letter.

And what I recall from the letter . . .

An Hon. Member: — And is he an expert?

Hon. Mr. Wiens: — He is an expert in fact on many things, and a fine gentleman too. As I recall the letter, the letter said . . . you may recall in spring there was substantial concern about where members opposite and their federal colleagues had described to farmers a circumstance where they could receive a very small pay-out if they made a particular set of choices under the new program.

In fact the program, by some of its detractors, was defined as having a very small pay-out base, a pay-out base that could only happen in the event that farmers made a particular choice and then the markets did a particular thing and then the farmers had a crop failure. In other words, the worst-case scenario that was distributed by members opposite in order to encourage people to be afraid of the new program suggested — that they didn't say if — they just said: a farmer could receive as little as 80 per cent of $3.00 a bushel on their individual yield, which is a very small coverage base considering the premiums that the farmers have paid.

That scenario, when this fear was being spread, could only be achieved if a farmer selected the $3.00 fixed-price option for crop insurance, if they had a crop failure at the same time, and then if the collective construction of the prices in the market-place rose to the equivalent of $4.07 for wheat, so that there would be no revenue insurance pay-out. That was the circumstance described.

There was sufficient fear in the drought area that this pay-out was in fact such a very small possibility that the minister in charge of the Crop Insurance Corporation and the other ministries I mentioned sent a letter that said if you are concerned about a drought and the price is rising, and if that's a concern to you, then it would be wise to consider the market-price option. Because with the market-price option, if the price were to rise, then the crop insurance coverage would rise. So that if the price in fact rose to $4.07 a bushel, the crop insurance coverage would rise to $4.07 a bushel as opposed to the fixed $3 rate.

(1145)

So it was in response to a substantial amount of fear and misunderstanding that had been planted by members opposite, that it was necessary to clarify for producers how to protect themselves, to maximize their income in the event of a drought and the prices rising. That was the tone of the letter. I think if you have it before you, if you were to read it, you would find that that's what the letter said.

Mr. D'Autremont: — Thank you, Mr. Chairman. In

discussions with the farmers in my area, one of their major concerns with the changes to this program, other than the fact that it's going to be retroactive, that no notices were given, that they're not going to be able to allow . . . not going to be allowed to take this to court, is the concern of basket approach to all of the crops or the individual coverages.

And I have the recommendations for changes to the gross revenue insurance program, GRIP, submitted by the advisory committee on February 11, '92. And they have a number of figures in here which I have gone through and used in some examples. And these are calculations for area average payments per seeded acre. And they total up to, in these figures, using their numbers . . . you would get an average of $45.51 per acre as a pay-out under the GRIP program.

Now if you take it and look at individual crops and how the '91 program would have worked and how the '92 program would have worked, if you look at flax as an example, because flax is a commodity that is grown fairly extensively in our area, under the '91, or just not even necessarily '91 but if you take the flax acres here, 24,000 acres at 16 bushels to the acre, $7.21 at 70 per cent of IMAP, you come up with a figure of $2.7 million or $115 an acre is what you would generate under those figures.

If you take a market value as they did in the example from the GRIP committee of $3, you end up with $48 an acre, or a shortfall there of $67. You add on the $45 an acre that under the basket approach you would get as a GRIP pay-out and you end up still $21 short of the $115 at the IMAP price times the bushels produced. You go through all of these examples. Canola you end up with 19 cents more than the IMAP prices; in spring wheat you end up with $1.62 more; in barley you end up with $7.26 more; and in lentils you end up with $18 less.

Now, Mr. Minister, to me this looks like one farmer who is growing a particular crop is subsidizing those other farmers that are growing, in this particular case, wheat, barley, and canola. Do you feel that this is a proper thing to be doing and do you support this?

Hon. Mr. Wiens: — Mr. Chairman, I do support the changes. They were brought to me by the producer committee and they recommended the changes for a series of reasons. I want to read to you from the National GRIP Committee meeting report on future program design. It states:

> The goal of . . . a highly individualized program which is fully predictable for producers, (and which) is crop specific and maintains full price-yield offsets at the individual level, is in direct conflict with the objective of maximizing the level of market responsiveness and minimizing the potential for moral hazard and program abuse.

Now the intent of the committee was to design a generic payment that accurately reflected the agriculture in a particular area so that the amount of support you would receive would be independent of the specific crop. Because the 15-year moving average price signal, which is too low overall, which is too low overall for everyone, but that signal bears no necessary relationship to the current market-place. Because over a 15-year period it is almost certain that there'll be a shifting relationship between products. And therefore the 15-year moving average price is both an inadequate compensation level and is also an improper signal about what one ought to grow. And yet the program defines its price targets by those individual products.

So it was the committee's conclusion — the committee made up of representatives from the organizations I listed previously, virtually every farm organization that represents major groups of farmers in Saskatchewan — it was their conclusion that the kind of design which neutralized the impact of the individual crops on what a farmer would grow, but respected the individual farmer's productivity and farming practices was the kind of program that should be put in place.

So they recommended a program where crop insurance was separated out, but the crop insurance returns will be based on an individual-yield basis. So a farmer who has a higher individual yield than the area average will get compensated, will have a higher level of coverage because of that.

And on the revenue-insurance side, while the farmers cannot choose coverage by individual crop, because they believed that that was a distorting factor, that farmers should be compensated in a generic fashion for the price shortfall on crops in their area, for the price of the crops that are generally grown in their area, and that they should then be compensated for their individual productivity again. So that if there is a payment calculated for an area of $40 an acre, respecting the crops that are grown there, relative to the world market price, if the payment is $40 an acre, and if I have a 10 per cent better record of production than the other people in my area, that I would receive 10 per cent more.

So the program respected the individual productivity of the individual farmer, so it was very fair in that regard, but removed from reality the program as an indication of what prices ought to be grown because there was no necessary relationship between the price signals in the program and the market-place.

Mr. D'Autremont: — Well, Mr. Minister, I'll ask you a very simple question. Do you personally support the concept of an individual farmer subsidizing another individual farmer?

Hon. Mr. Wiens: — I think the whole idea of safety nets and insurance and all of these other matters that we've been discussing over the last couple of days makes an assumption that each of us in that circumstance makes a contribution to a program which then may pay out to someone else but may pay out to me. So that there is cross-subsidization in any kind of insurance program.

Mr. D'Autremont: — Mr. Minister, again I ask you: do you support that concept personally?

Hon. Mr. Wiens: — I support the concept of insurance programs where risk is shared and benefits are distributed

according to a pre-arranged agreement. If that's the question, yes.

Mr. D'Autremont: — The question, Mr. Minister, is whether or not you support one farmer subsidizing another.

Hon. Mr. Wiens: — I will say again, that insurance programs — whether they be fire insurance, crop insurance, hail insurance, any other kind of insurance — work on the assumption of shared risk. The member can describe it as one farmer subsidizing another. I will use my language to describe it. That's the nature of insurance. It's sharing risk. If you want to call it cross-subsidization or one farmer subsidizing another, you can describe it in your way. But it's clear to me that no one engages in an insurance program without believing that there is a risk sharing happening as a result.

Mr. D'Autremont: — Well in a roundabout way, Mr. Minister, I'll take that as a yes. Am I to also assume then that your government also supports that point of view?

Hon. Mr. Wiens: — If you accept my answer previously as a yes, then I would, rather than repeat my previous answer, again answer yes.

Mr. D'Autremont: — Mr. Minister, would you say that those organizations then that were represented on the GRIP review committee also support that position?

Hon. Mr. Wiens: — Mr. Chairman, I believe that anybody that participates in the design or in the program delivery of an insurance program, implicitly agrees in sharing risk.

Mr. D'Autremont: — Well, Mr. Minister, we have another program in this country called the Crow rate which, while it may not necessarily be an insurance program, it is a financial method to spread cost and risk. If you talked to some of those organizations that were represented on the GRIP review committee, they will tell you that they're opposed to the idea of one farmer being able to take advantage of a program which in effect subsidizes one farmer from payments due to another.

If a farmer who delivers grain receives a payment under, say, a producer payment scheme for the Crow rate, ships his grain, then that subsidy is paid for him for his shipments. But another farmer down the road who may have the same amount of land, the same amount of grain, receives the same payment under a pay-the-producer program, but does not ship his grain — he either feeds it or he sells it as seed, or goes to the crushing plant, however method he disposes of it, but does not use the rail system — those organizations feel then that that farmer is being subsidized in his production by the farmer who actually ships the grain.

So, Mr. Minister, to me this is exactly what you are doing under the new GRIP program. You are using this program to have one farmer subsidize another farmer's production.

Hon. Mr. Wiens: — I'm not sure exactly the point that's being made, but I want to respond on the Crow benefit question. The question was flipped a bit when the member said, payments due to another. Because I think it's an implicit assumption that just because I make a contribution to a program, an insurance program, that somehow that I should expect that amount coming back to me. In fact it is the participation in the sharing of risk that defines what is someone else's due.

So as national policy with respect to the rail question you mention, it is a matter of national policy that it is in the common economic interest, that it is all in our collective social and economic interest, to have an accessible and affordable and efficient rail transportation system. And so each one of us benefits collectively and individually by the establishment of that system.

The contention that somehow a particular portion of that is my due, ignores the fact that the Canadian public established the Crow rate and established Crow benefit as a particular program for serving economic interests in Canada. My due is the service I get out of that kind of a network. It isn't some calculation that that's for Saskatchewan; one sixty-thousandths of that is mine. It is the collective benefit that's described, that's for the economy as a whole.

Mr. D'Autremont: — Well, Mr. Minister, once you make a premium payment you may not necessarily receive a return for that amount. But under the individual coverage, if a farmer has produced a significant crop, if his price is high enough, he may not indeed get a return. But his neighbour's crop may not have been as significant or the prices may have been lower, therefore he would receive a return. But under your scheme, that portion of his return will be divided over all the acres in the area including his neighbour's, who did not deserve a return but he will receive it. And so the farmer who should have received the return is subsidizing the farmer who would not have received one.

Hon. Mr. Wiens: — I think the point the member makes is in direct contradiction to the assumption of the committee, that somehow the 15-year moving average price reflected what was deserved return. Because what is that deserved return?

The belief of the committee was that the international market-place has affected a variety of products and represents a particular impact on producers, so the producers should be compensated for their particular broad damage by the international market-place.

And the committee's conclusion was it should not be done on the basis that somehow the indexed moving average price was an accurate reflection of that. It was their conclusion that it was the collective impact on the crops grown in that area that ought to be the reflection of that, and that farmers should therefore benefit by the collective damage done to themselves. And that the farmers should then, collecting that amount of money first, then grow the crops that they think best respond to the market-place. They believed that created a market neutral program.

The Chair: — Order. It being 12 noon, and pursuant to a special order of the Assembly, this committee will recess until the afternoon's routine proceedings are concluded.

Routine proceedings will begin at 2 p.m.

The Assembly recessed until 2 p.m.