

May 1/90

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Swan: -- Mr. Speaker, it's my privilege to introduce to the Assembly today the grade 8 students from Rosetown Central High. There's 52 students seated in the Speaker's gallery, and today they're accompanied by their teachers, Jake Wiebe and Murray Purcell and Mrs. Elwood Fleming. They have bus driver, Robert Green and Mrs. Klemmer.

Very pleased to welcome these students; look forward to meeting with them at 2:30 when we'll have an opportunity for pictures and refreshments and discussion. I'd ask the hon. members to welcome this group to the Assembly.

Some Hon. Members: mHear, hear!

Mr. Pringle: -- Thank you very much, Mr. Speaker. Mr. Speaker, I would like to introduce to you, and through you to members of the Assembly, in the east gallery, a group of 37 grade 8 students from Alvin Buckwold School in Saskatoon Eastview; and their teachers, Lloyd Howey and Sheila Funk.

I'm glad to have the students here today and we will be meeting later for a discussion. I was into their class earlier in the school year and I know all members appreciate the interest of young people in public affairs. And it's a particular delight for me today to introduce that class because my son Dean is there. We members are away from our families so much, it's nice when they can come and visit us as well.

So I know that the members will want to in their usual manner, welcome this grade 8 class from Alvin Buckwold in Saskatoon.

Hon. Members: mHear, hear!

Ms. Smart: -- Thank you, Mr. Speaker. I'm pleased to introduce to you, and through you to the members of the legislature, 47 students in the grades 4 and 5 class at Ecole St. Paul in Saskatoon. They're sitting here in the west gallery. I'm really pleased to have them here with their teacher, Leon Bezaire and Gilbert Gallays; and their chaperons, Marcel Gallays, who's the principal of the school, Greg Chatlain, and Jeannette Denis.

And I'm looking forward to meeting with the students for photographs and questions later. Please, all members, welcome the students here today.

Hon. Members: mHear, hear!

Hon. Mr. Devine: -- Mr. Speaker, I would like to join with the member from Saskatoon Centre and extend a special welcome to the class, grade 4 and 5

from St. Paul's School in Saskatoon. The 23 students here today are part of their studies associated with the process of government and they're looking at such things as the electoral process, political parties and leaders, and major economic issues.

I'm particularly pleased to see Leon here, Mr. Speaker, because he was a student of mine back in 1977 when I taught agricultural economics at the University of Saskatchewan. And I'd also like to extend a very special welcome to Nevin Rosaasen. I was a member of the faculty when his father, Ken, did his master's degree, and I notice that his father, Ken, is sitting in the gallery as well. And we passed him; he did well. He's gone on to become a very famous economist at the University of Saskatchewan and in now other parts of the world.

So I would just like to join with the member opposite in welcoming these students and their teachers, and some of my former students and certainly my friends. Welcome to the legislature.

Hon. Members: mHear, hear!

Hon. Mr. Tusa: -- I also wish to make an introduction. It's my pleasure this afternoon to introduce to you His Excellency, Samuel Kajese, High Commissioner of Zimbabwe.

I've had the opportunity earlier on in the day of having a very interesting meeting with His Excellency. And he has also met with various officials within the government.

I ask all members to please welcome to this Assembly, His Excellency, the High Commissioner of Zimbabwe, Samuel Kajese.

Hon. Members: mHear, hear!

ORAL QUESTIONS

Murray Commission on Health Care

Ms. Simard: -- Thank you, Mr. Speaker. In the absence of the Minister of Health, my question is directed to the Associate Minister of Health. And it has to do with the fact that the CBC radio is reporting today that the Murray commission on health care is recommending sweeping changes to our health system, including a major move towards regionalization, Mr. Speaker.

Can the minister confirm that the Murray commission recommends that the province be broken into a number of large regions and that those regional boards will be given sweeping powers.

Some Hon. Members: mHear, hear!

Hon. Mr. Wolfe: -- Mr. Speaker, the member opposite asks about the Murray commission. And I'd just like to say to everyone, I'd like to say thank you to all the people across this province who made representation to the commission. As you're probably aware, people from all over the province

had an opportunity over the past two years to make representation to the commission about the health care system in Saskatchewan. People from all walks of life made representation to the commission and brought forth their thoughts and ideas about health care in this province and directions in the future.

Health care is a priority of this government. We have one of the best health care systems in the world, Mr. Speaker. The report was prepared as a result of consultations with people across this province. We have not yet seen the report. As I understand it, the report has been leaked to the public.

Some Hon. Members: mHear, hear!

Ms. Simard: -- Mr. Speaker, a new question. Mr. Associate Minister, does the report recommend a division, the division of the province into a number of large regions with sweeping powers being allocated to these regions, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Wolfe: -- Mr. Speaker, I find it really interesting that the member opposite asks about the report and the commission, and she's so interested and so concerned about the report. I'd ask you all to think back to when the report and the idea of a commission was first presented to this House and to the people of this province, and I'd like you to think just for a minute about what the member opposite had to say at that time, and how opposed, how opposed the member opposite was to the idea of a commission that might tour the province and consult with people across this province.

We have not yet seen the report, Mr. Speaker. We feel that the member opposite does a disservice in talking about a report which we haven't seen and, as we understand, they have not seen.

And I would just like to say to the members of this House and to the public that I think that the public and I think that the people of this province might be a lot better served, Mr. Speaker, a lot better served if the members opposite spent time standing and speaking to the people across the province rather than standing on . . .

The Speaker: -- Order.

Some Hon. Members: mHear, hear!

Ms. Simard: -- New question, Mr. Speaker. Mr. Minister, Mr. Associate Minister, I too followed the commission around the province. And there was a great deal of concern expressed by many, many people about the regionalization concept.

Mr. Minister, what we're dealing with in that concept is centralization of health care services. And it appears that the health care commission is proposing to take control of health care services out of local communities

and put them in the regional board, because that's the regionalization concept, Mr. Associate Minister.

What I want to know is: does your commission also recommend that the ownership of health care facilities be placed in the regional board?

Some Hon. Members: mHear, hear!

Hon. Mr. Wolfe: -- Mr. Speaker, as I've said, we have not seen the report. The report has been a product of consultations with the people of the province. It occurred over the course of two years. We have not seen the report.

Once the report is made public, Mr. Speaker, we will give the public an opportunity to review the report in the context of the whole report. We will ask for the interested parties to take a look at the report and make recommendations back to us about their suggestions, about their parties as it pertains to the whole health care system in this province, so that we can maintain one of the best health care systems in this world, Mr. Speaker.

Some Hon. Members: mHear, hear!

Ms. Simard: -- Mr. Minister, the CBC report also stated that the commission recommends the establishment of more than two dozen new boards, commissions, and authorities -- the establishment of more than two dozen new boards, commissions, and authorities. What that appears to be, Mr. Associate Minister, is a recommendation to take away local control and local autonomy and replace it with an entirely new bureaucracy. Now, Mr. Minister, I want to know if those recommendations are contained in this report and what your position is with respect to that.

Some Hon. Members: mHear, hear!

Hon. Mr. Wolfe: -- Mr. Speaker, as I've said, we have not yet seen the report. It will take time to look at the report. It will take time to study the report. And we will take time, Mr. Speaker; we will take time to consult with the public about the contents of the report so that we can maintain and improve upon one of the best health care systems in the world, Mr. Speaker.

Some Hon. Members: mHear, hear!

Rafferty Dam Project

Mr. Tchorzewski: -- Thank you, Mr. Speaker. I'd like to direct my question to the minister in charge of the Souris Basin Development Authority, or in his absence, to the acting minister. Mr. Minister, my question deals with the Rafferty dam project, and I want to refer you to a statement in a letter made by one George Hood, the director of the Souris Basin Development Authority in 1986 where he said the following:

Our strategy has been and will continue to be to take the project as far

as we possibly can on our own, and build up as much momentum behind it before we open up the process to other governments.

It took three court judgements, Mr. Minister, to get you to agree to a federal environmental review process and an assessment. It has now been revealed that you have broken the spirit of that agreement, Mr. Minister. Your 1986 strategy has failed every time you have tried to employ it. Your whole project, Mr. Minister, is in a confused mess.

And my question to you then is: why do you continue to make the same mistakes over and over again? And in light of the developments in the last couple of days, will you stop what you're doing and will you make sure that the environmental assessment is allowed to do its work before you continue with the kind of work that you're doing, ignoring the impact on the environment?

Some Hon. Members: mHear, hear!

Hon. Mr. Martens: -- Mr. Speaker, there were three items, I believe, that were required by the agreement that we signed with the federal government to deal with Rafferty. Those three are being met today.

The first one is that all the work stop except those works as being required to stabilize the structure and to ensure that safety of the public in relation to the dam. The second one was the Rafferty-Boundary diversion channel, and the third one was the land acquisition on the Alameda project.

And those, Mr. Speaker, are all being adhered to under the licence and under the agreement that we reached with the federal government.

Mr. Tchorzewski: -- A new question to the minister, Mr. Speaker. Mr. Minister, Mr. Bouchard has clearly said that you have broken the spirit of the agreement. The work that you're carrying out there is in contravention of the spirit of that agreement. And although the federal Department of the Environment is doing its duty to carry out the environmental assessment, you are insisting on carrying out your political agenda instead.

I ask you, Mr. Minister, have you at least contacted the federal Minister of the Environment to get a clarification of what the problem is here and stop the process of what you're doing out there until that is clarified. Have you made that contact with Mr. Bouchard?

Some Hon. Members: mHear, hear!

Hon. Mr. Martens: -- Mr. Speaker, I just want to itemize the three things again that we were given authority to do as it relates to the agreement that we reached with Mr. Bouchard. And Mr. Bouchard personally signed the agreement and these three things are on it. As I explained before, all of the work except that work which was to make the dam and structure safe to the public, to those people downstream and also to those people who are immediately below the reservoir.

I would just like to say that if we would have had the snowfall in south-east Saskatchewan that they had in southern Alberta, Mr. Speaker, that there would have been serious problems as it related to the reservoir if it hadn't been done and the structure had not been made safe for the public, of the people who are downstream from that.

The other thing that I want to point out to you, Mr. Speaker, is that we have an interesting thing. I have contact from the people of Weyburn asking for additional water because they're going to have water shortage. Estevan is doing that. From 13 communities in that area, have had a problem dealing with a water shortage and they have asked the Saskatchewan Water Corporation to act on some of those things. And we are looking at how to do that. We can do that by reservoir development.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- A new question to the same minister, Mr. Speaker. Mr. Minister, the minister in charge claimed the other day that the decisions you made are based on an independent engineering review board recommendation. My question to you, Mr. Minister, is was this review board set up by your government, and is it your government that paid for the operations of this review board? And if that is the case, Mr. Minister, why would anybody be surprised if that board wouldn't bring the recommendations that you wanted it to bring in the first place.

Some Hon. Members: mHear, hear!

Hon. Mr. Martens: -- Mr. Speaker, in order to ensure safety for the people who are downstream from the reservoir it's necessary to ensure that the dam, the construction works, the overflow diversion that is necessary, the underground, what they call a chimney pipe, underneath the reservoir be allowed to be constructed in a way that is going to be safe for the people who are downstream. And if you want to deal with that in its actual context, it must be dealt with in a way to provide a method that is going to ensure safety for the people downstream from there.

Feature for example, Mr. Speaker, if we would have had the snowfall in south-east Saskatchewan and that would have flooded Minot with a reservoir breakdown, we would have had a very serious problem. And so the engineers have recommended that this dam be put in a safe condition, and that was the agreement we reached with the federal Minister of Environment.

Some Hon. Members: mHear, hear!

Independent Review Panel on Rafferty Dam Project

Mr. Lyons: -- Thank you very much, Mr. Speaker. Mr. Speaker, my question is to the Premier of the province on this issue. Mr. Premier, on the CBC radio this morning one of your employees, Mr. George Hood of the Souris Basin Development Authority, was quoted as saying that he expects that the federal Environment minister's response and reaction is a result of communication from the independent review panel, which he says threatened to resign if steps weren't taken to stop the unnecessary work on the

Rafferty dam.

My question to you, Mr. Premier, is this. Given that the independent review panel which you helped establish and which you gave your blessing to and which we supported at the time of its establishment, is now telling the federal Minister of the Environment that your actions are preventing it from doing its job and that Mr. Hood thinks that that's what justifies your action, is it your opinion that Mr. Hood's statements are correct, that the reason why the federal minister is acting the way he is, is because your actions are interfering with the work of the independent review panel?

Some Hon. Members: mHear, hear!

Hon. Mr. Martens: -- Mr. Speaker, we're not interfering with the work of the federal Minister of Environment. I believe that what we are doing is ensuring the safety of the people around the reservoir, and that is the reason why we're doing what we're doing.

I don't know whether any of you have ever experienced this kind of a problem happening when you have too much water for a dam to hold, but personally I have, and I've seen what can happen. That has happened on my own ranch.

So I want you to understand that there are very serious problems that can occur if you do not place the structure of the reservoir and the dam to hold the reservoir in a way that's going to provide safety for the people who are downstream from that.

Some Hon. Members: mHear, hear!

Mr. Lyons: -- Mr. Speaker, I'll direct my question to the associate minister, or the acting minister this time, given that the Premier doesn't want to get into this debate despite the fact that it's in his own constituency.

Mr. Associate Minister, Mr. Hood and the member from Estevan have said in the past that the problem is not flooding; the problem is water scarcity. So don't try to hoodwink the people with that line. Mr. Hood also said that even if the panel finds problems with the Rafferty dam, there is nothing, absolutely nothing that the federal government can do about it. This is a provincial public service saying that, that there is nothing that the federal government can do about it except learn to live with it.

My question to you, Mr. Minister, is this: is the entire environmental review process nothing more, in your opinion, an expensive farce? And is it the opinion of you and your government that environmental laws and concerns in this country can be swept aside to meet your own political priorities and objectives? Is that your position in the House today?

Some Hon. Members: mHear, hear!

Hon. Mr. Martens: -- Mr. Speaker, I want to point out a number of things that I think are important. One is that we have always abided by the

licence that was issued to us by the federal government. The federal government is required to license those projects which deal with water that has interprovincial concerns. It also has to license those waters that deal with international, which the Souris Basin does.

We received a licence from the federal Minister of Environment at that time. We have abided by the principles and the licence agreement of those agreements that we reached with the federal government. We have also abided by all of the principles through the Souris Basin Development Authority in relation to the agreement we reached with the Minister of Environment at the time we signed this agreement to deal with this review panel.

And the other item I want to point out is, Mr. Speaker, we did not put the review panel into place; the federal government did that.

Some Hon. Members: mHear, hear!

Mr. Lyons: -- New question to the same associate minister, Mr. Speaker. Mr. Minister, I'm glad that you mentioned the fact that the federal government was the body that granted the licence, because at this point in time it's the federal government which is saying you are not living up to the spirit of the agreement to which they've signed, and that they have the ultimate power to pull the licence on this project. And that is a fact, Mr. Associate Minister.

Mr. Associate Minister, my question is this: in light of the fact, in light of the fact that your government seems to be completely ignoring what the federal Environment minister is saying, ignoring what the environmental review panel is saying, and ignoring what the courts of this country have said, is it not true that your intention is clearly this; that you will proceed with that dam, come hell or no water? Isn't that your political objective, Mr. Associate Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Martens: -- It is our objective, Mr. Speaker, to deal with this in the context of official and legal licences. It is our feeling, Mr. Speaker . . .

The Speaker: -- Order, order.

Hon. Mr. Martens: -- Mr. Speaker, I want to point out that we want to abide by the licences as issued by the federal Minister of Environment in the original constructions. We are abiding by that. We have worked; we have stopped work; we have worked again, and we have stopped work again on all of the licences, and as they were being addressed by the federal Minister of Environment. We have done all of that.

And to top all of that off, when we were discussing the court ruling as it related to the last work stoppage, we went to the federal Minister of Environment and we reached an agreement and we are abiding by those agreements that he set down and we set down and he signed and we signed.

Some Hon. Members: mHear, hear!

Sexual Assault Case in Swift Current

Ms. Atkinson: -- My question is to the Minister of Justice, and it concerns the Swift Current case of alleged sexual assault in Swift Current involving the two hockey players.

Mr. Minister, I understand that you have received a letter on behalf of Saskatchewan sexual assault centres asking for a full public inquiry into this issue. I'm wondering, Mr. Minister, if you can tell us what your answer to that request is going to be.

Hon. Mr. Lane: -- I don't recall having received such a letter but I'll check my office to see if I did or not.

Ms. Atkinson: -- A new question to the minister. Mr. Minister, the people who sent this letter have a very real concern about the criminal justice system and charges of sexual assault.

Your Department of Justice sent them a very wrong message in the Swift Current case by charging the plaintiff with mischief, a charge that was later seen to be unfounded, Mr. Minister. Can you at least tell us whether or not this case is still under active consideration by your department and when a decision might be taken regarding the matter?

Hon. Mr. Lane: -- Yes.

Ms. Atkinson: -- Mr. Speaker, new question to the minister. Mr. Minister, it is your duty as Minister of Justice to ensure that the judicial system in this province is operating fairly for the benefit of all. Many people look at the Swift Current case and conclude that that is not what has happened in this case. You have a duty to these people, Mr. Minister, to show them that the legal process works. That duty is not meant by your stalling and ducking the issue. While you say that yes, the case is still under active consideration, Mr. Minister, can you tell us how slow or how long the wheels of justice are going to take in resolving this matter, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Lane: -- Amongst my duties as Attorney General, Mr. Speaker, is to ensure that the prosecutors act and use independent judgement; that the police are able to investigate in a free and unfettered manner; that the judges can make their decisions in a free manner, Mr. Speaker. How people interpret any such decisions is not necessarily a responsibility of the Minister of Justice or the Attorney General for the province. I have indicated, Mr. Speaker, that the department is looking in the matter, has been for some time, and is reviewing the evidence and the decisions made by the prosecutor.

Federal Funding for Agriculture

Mr. Lautermilch: -- Thank you, Mr. Speaker. My question is to the Premier, to the Minister of Agriculture. Mr. Premier, yesterday the farmers were hit with a 12 per cent increase in freight rates and last week a significant increase in interest rates charged by FCC (Farm Credit Corporation). Today, the farmers were hit with another blow. The initial price for no. 1 hard spring wheat is down \$20 a tonne from \$135; durum is down \$25 a tonne. Mr. Minister, because of these kinds of issues, this legislature has called on the federal government to deliver 500 million this spring and 400 million in the fall.

I'd like to know, Mr. Minister, since you've been promising a long-term, stable agricultural program since 1985, and in 1990 we're still waiting for this long-term program, I want to know when the farmers can expect to get straight answers from you -- in May, in June, or in October, or in 1991? And I want to know what the status of that \$900 million is.

Hon. Mr. Devine: -- Mr. Speaker, the hon. member joined with this side of the House when we passed a resolution here asking the federal government for 500 million and another 400 million plus a billion dollar contingency fund.

And later today we're going to ask hon. members to join us again to condemn this move that drops the price of wheat, the initial price of wheat, because the stocks in the world are going down, Mr. Speaker, and the price should be going up. And the only reason the price isn't going up is because of international cheating and international subsidy.

So I'm going to be asking the members opposite to join me, like they did here before, for a consensus out of this legislature, so that in fact we can send it to Ottawa and say that this is intolerable; it's not right and it's not fair. The price of wheat should be going up because the stocks world-wide are going down. And I'd hope the opposition members join me in a unanimous resolution that we can send to Ottawa in this regard.

Some Hon. Members: mHear, hear!

Mr. Lautermilch: -- A new question to the Premier. Mr. Premier, I want to tell you that the farmers of this province can't sow your promises and they can't harvest your political rhetoric.

The facts are that you promised long-term agriculture policies in 1985 which you haven't delivered on. The facts are that you've been calling on \$900 million from the federal government and they've delivered a paltry \$250 million.

I want to ask you, Mr. Minister, will you go to the polls? Will you let the farmers of this province decide who should speak for them on agriculture, because clearly you haven't done the job?

Some Hon. Members: mHear, hear!

Hon. Mr. Devine: -- Mr. Speaker, I could say to the hon. member, I can say

to the hon. member that I've been across rural Saskatchewan recently in several nominations and I'll tell you one thing, Mr. Speaker, and it's the truth and it comes to the province of Saskatchewan.

They say to me all over rural Saskatchewan, and the farmers do, that the SGEU (Saskatchewan Government Employees' Union) union leader and the Saskatchewan Federation of Labour union leaders don't speak for rural Saskatchewan. And even though the NDP and the SGEU are tied like this, I'll tell you any place in rural Saskatchewan you want to hook your trailer to the SGEU and say you're going to represent the farmer, well that will be just fine with everybody here, Mr. Speaker, because we know that's not the case.

Mr. Speaker, just let me say to the hon. member . . .

The Speaker: -- Order, order.

DHon. Mr. Devine: -- Thank you, Mr. Speaker. The hon. member will have his chance in rural Saskatchewan, Mr. Speaker, to find out who speaks for the farmer. You'll have your chance. And, Mr. Speaker, and they've said "when" for eight years, Mr. Speaker. And every time that we go to a by-election in rural Saskatchewan, they lose and then they say "when" again, Mr. Speaker. They just can't seem to get enough.

Everybody in rural Saskatchewan and western Canada, Mr. Speaker, knows that the price of wheat should be higher because the stocks are down. The cheating that's going on and supported by members opposite as a result of international subsidies . . .

Some Hon. Members: mHear, hear!

The Speaker: -- Order, order.

MINISTERIAL STATEMENTS

Initial Canadian Wheat Board Payments -- 1990-91

Hon. Mr. Devine: -- Mr. Speaker, I would like to make a brief statement with respect to the 1990-91 initial Canadian Wheat Board payments that the minister responsible for grains and oil seeds made today. And I sent a copy of the announcement that I just received across to the hon. member.

The initial prices that farmers will receive in the new crop year, announced by the federal minister, beginning July first will be dramatically and drastically reduced from what they are today, and it's very, very sad, Mr. Speaker. The price for number one wheat will decrease by \$30 a ton to \$135 per ton. This is a decrease of 18 per cent. The price for durum wheat, number one, will decrease to \$125 a ton. A decrease of 17 per cent. The price of other grains are also expected to fall. This drastic decrease in grain prices will be very devastating to Saskatchewan farmers and others. We know as well that the price of barley will be reduced in the neighbourhood of 25 to 26 per cent.

Agriculture Canada has projected already the realized net farm income in Saskatchewan is down 87 per cent from 1989. This House, Mr. Speaker, is on record with a resolution unanimously endorsed that we have \$500 million now and \$400 million in the fall and a billion dollars put in place to fight the commodity wars that are causing these prices to climb.

Of all the provinces, the farmers of Saskatchewan will experience the most hurt, Mr. Speaker. This is because Saskatchewan agriculture is 80 per cent grain and oil seeds of which 80 per cent is exported. Mr. Speaker, the issue of why grain prices are so low must be very briefly addressed in just a couple of paragraphs.

Economics, as you know, Mr. Speaker, should dictate that when supplies are low, prices should rise. Our stocks are down, Mr. Speaker. We now have 20-some days supply of grain in the world, and the last time it was that low, Mr. Speaker, prices went up dramatically. This is not happening this time. Stocks are down; supplies are down. They're as low as they've been on record, Mr. Speaker, and the price continues to fall.

In 1985 the stocks to use ratio, that is, if we take what is being consumed in the world compared to what is being stored, was 34 per cent. In 1990 it decreased to 22 per cent. It's going down and down. Even though this ratio is decreased by 12 per cent, grain prices continue to fall and not increase, Mr. Speaker.

The reason for this, the federal minister tells us, is the United States and the European community continue to use export subsidies to make grain sales, and this is keeping world prices at a record low level. In 1987-88 the United States subsidized wheat by \$2 a bushel -- \$2 a bushel -- cherry-picking the markets and putting their grain into the hands of consumers world-wide, but doing that with \$2 a bushel.

The European Economic Community subsidized farmers over \$4 a bushel. So when we wanted to sell our wheat to people around the world, the Europeans put \$4 a bushel into the hands of the buyers, driving the price down some more. The United States and the European community have not stopped subsidizing and cheating in these world markets, Mr. Speaker.

The international subsidies are the cause of these low grain prices. Saskatchewan farmers have suffered as a result. Saskatchewan cannot be expected to fight the United States and the European treasuries by ourself. The state of North Dakota does not pay for the export enhancement program; the state of Montana does not pay for the deficiency payments, and the state of Nebraska does not pay the \$4 a bushel subsidy, Mr. Speaker. And here in this country the price of wheat is going down as a result of those subsidies.

These price decreases announced today further emphasize the federal government's responsibility to assist Saskatchewan producers. This legislature agrees, Mr. Speaker. Farm groups agree and other provinces agree that the federal government must live up to its responsibility. The price of wheat should be going up when the stocks are going down, Mr. Speaker. And we will be later asking for a resolution and adoption of a

resolution in this House that ask that grain prices in this country go up to reflect supply and demand and economics in the world, and not international subsidies and cheating, Mr. Speaker.

Some Hon. Members: mHear, hear!

Mr. Koskie: -- Thank you, Mr. Speaker. I think one thing that is obvious is the deterioration of the agricultural scene across Canada, and particularly here in Saskatchewan under a Tory government in Ottawa and one in the province here in Saskatchewan.

The decrease in the initial prices, as outlined by the Premier, will cost the province somewhere between seven . . . approximately \$750 million. Couple that with the massiveness of the cuts that we have seen going on without a word from the Premier of this province. The two-price wheat system, 220 to \$230 million -- gone; interest rates and Farm Credit Corporations have increased 2 per cent recently in the last six weeks; some \$70 million taken from the western Canada; freight rate increases, \$41 million increase -- not a word; crop insurance, less participation -- \$35 million.

If you add up, just in the cuts that the federal governments have made and taken money from the agricultural scene here in Saskatchewan, and he stands up here and he says, I'm going to demand \$225 million from the federal government, or that's what they're offering.

Do you realize, Mr. Premier, that agriculture is in a bad state. But agriculture is in a bad state because we have two Tory governments. And that's what the people of Saskatchewan are starting to realize. That's the fact of the matter.

I see, Mr Speaker, really what's happening here is a game. The Premier indicated in the budget address that he had a commitment from the federal government. And once again what they're doing is they're playing politics with the lives of the farmers and the future of the farmers.

And again today he stands up and he says he's going to move a resolution condemning the low initial prices of grains. Well when we introduced a resolution in respect to cutting interest rates by Farm Credit Corporation, they refused. There is no sincerity. What it is, is a game that is being played between the federal Tory government and the provincial Tory government setting the scene which is best for their electoral success, and the people of Saskatchewan see through this sham.

Some Hon. Members: mHear, hear!

Family Violence

Hon. Mr. Neudorf: -- Mr. Speaker, I'm going to make a ministerial statement at this time considering family violence, and I've already sent a copy over to the critic on what I'm going to be saying.

Mr. Speaker, I rise today to proclaim Battered Women's Awareness Week, May

1 to May 6, on behalf of the Provincial Association of Transition Houses Saskatchewan. The aim of this association, or PATHS as it is better known, during this week is to raise public awareness about the abuse of women and to raise funds for their member organizations.

I ask all members to pledge their support to these agencies in their home communities and across the province. Only by example can we change the attitudes of a society that condones the use of violence against women and children.

Violence and abuse form a never-ending cycle which is passed on from generation to generation. Those who were abused as children -- whether physically, sexually, or emotionally -- are likely to become abusive in their own turn. Men and women who have known only abuse as children and as adults may have little knowledge of how to parent their own children in a healthy and constructive way, little knowledge of how to break the cycle.

This government has maintained a commitment to providing services for battered women and their children. For example, since 1981-82, funding for NGO (non-governmental organizations) services for battered women and children has increased by more than 200 per cent. Three new shelters for women, for battered women in the North and in rural areas have been funded. This year child counsellors will be funded in three shelters.

Since 1984 it has been the policy of the Department of Justice to charge men who batter their wives. As a result of welfare reform, single-parent women are now provided with the opportunity to learn the skills that will make them self-supporting and develop their sense of self worth.

Over the past year, foster parents have undergone an extensive training program which includes specific information on dealing with children that have been abused. This has also taught them how to work with a child's natural family, and how to be part of a professional team whose job is to strengthen and help families so that they can raise their children. With help, families can overcome the effect of abuse and neglect.

To conclude, I want to state that my department and this government will continue to protect and support the women and children who are the victims of violence, abuse, and neglect. But everyone must take the responsibility of saying no to violence in their lives and their communities, of saying that violence is unacceptable and will not be tolerated, before we can ever hope to see a real end to violence and abuse.

Thank you, Mr. Speaker.

Some Hon. Members: mHear, hear!

(1445)

Mr. Prebble: -- Thank you, Mr. Speaker, and I thank the minister for giving me a copy of his statement.

On behalf of the opposition, Mr. Speaker, we want to join with the minister

in proclaiming the week, Battered Women's Awareness Week for May 1 to May 6. But I want to say, Mr. Speaker, that the record of the government in this area is sorely lacking.

Mr. Speaker, we've seen community-based services to women and families in this province now frozen for the last four years. And specifically, Mr. Speaker, with respect to transition houses, we've seen a government that in the face of huge waiting lists in centres like Saskatoon, which consistently has to turn away more than 250 women and their children every year from the transition house; and centres like La Ronge, Mr. Speaker, that consistently have to turn away 50 or 60 women a year and their children from the transition house there. We've seen a government that has consistently funded the transition houses at well below the rate of inflation, Mr. Speaker, and that is indeed shocking. We've also seen, Mr. Speaker, a government that refuses to provide adequate funding to centres like the Crisis Nursery in Saskatoon, that as a result consistently has to turn away at least 20 children a month -- again, Mr. Speaker, children that are in danger of being abused.

We've seen a government, Mr. Speaker, that refuses to put a children's advocate service in place in this province to ensure the safety and well-being of children that are under the care of the Minister of Social Services.

We welcome the announcement by the government that there will be child counsellors in three of the transition houses in the province, but we say there ought to be child counsellors for children that come to those transition houses in trauma in every transition house in this province, Mr. Speaker.

We've seen a government, Mr. Speaker, that has failed to address the fundamental question of the poverty that many of these abused women face, Mr. Speaker. Now we have . . . Statistics Canada has just announced that we now have . . . we are tied for Quebec in terms of the highest rate of family poverty in the country, Mr. Speaker.

And finally, Mr. Speaker, I want to comment on the minister's announcement with respect to so-called welfare reform, and ask him, Mr. Speaker, why it is that for these women who are seeking educational opportunities, the minister has just changed the regulations governing the family income plan and the Saskatchewan assistance plan, Mr. Speaker, so that under the family income plan hundreds of women in this province are now being cut off because their student loan money and their money for tuition and books is being considered as income, and they're having to drop out of school.

And, Mr. Speaker, in the same way with respect to the Saskatchewan assistance plan, that this summer hundreds of women in this province who are single mothers, trying to make it raising children, are going to be cut off social assistance, Mr. Speaker, because this government is going to say to those women that their student loan money exceeds the amount they would have been eligible for on SAP (Saskatchewan assistance plan), and therefore they will have to live all summer on nothing, Mr. Speaker.

That's the kind of injustice that this government has perpetrated against women in this province. If this government wants to proclaim this week and is serious about it, I call on the minister to address these injustices and to do so immediately. Thank you, Mr. Speaker.

Some Hon. Members: mHear, hear!

The Speaker: -- Order.

INTRODUCTION OF BILLS

Bill No. 16 -- An Act to amend The Mortgage Protection Act

Hon. Mr. Hepworth: -- Mr. Speaker, I move first reading of a Bill to amend The Mortgage Protection Act.

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

Bill No. 17 -- An Act to amend The Education and Health Tax Act

Hon. Mr. Hepworth: -- Mr. Speaker, I move first reading of a Bill to amend The Education and Health Tax Act.

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

Bill No. 18 -- An Act to amend The Stock Savings Tax Credit Act

Hon. Mr. Hepworth: -- Mr. Speaker, I move first reading of a Bill to amend The Stock Savings Tax Credit Act.

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

Hon. Mr. Martens: -- Mr. Speaker, before orders of the day, I want to rise on the basis of rule 39 and . . .

The Speaker: -- Order, order. If I could have the co-operation of the member, I would like to attend to a couple of items myself and then I'll recognize him.

TABLING OF REPORTS

The Speaker: -- I have a communication, first of all, from the Ombudsman, which reads as follows:

Dear Mr. Speaker: It is my duty and privilege to submit to you and to the legislature the 17th annual report of the Saskatchewan Ombudsman, submitted in accordance with the provisions of subsection 1, section 30 of The Ombudsman Act. Yours sincerely, Gerald P. McLellan, Ombudsman.

I now table this report.

ANNOUNCEMENTS

Introduction of Deputy Clerk

The Speaker: -- I would like also at this time to introduce to the members of the Assembly, Mr. Robert Vaive, who is our new Deputy Clerk.

Mr. Vaive comes to us with 14 years of parliamentary experience with the House of Commons in a variety of roles, and served most recently as Deputy Principal Clerk of the Table Research Branch. I'm sure he will be an asset to our Table and I ask members to join me in welcoming Bob Vaive to the legislative service.

Hon. Members: mHear, hear!

STATEMENT BY THE SPEAKER

Ruling on Bill 13

The Speaker: -- I must also now read a statement as follows:

According to rule 30 of this Assembly, the Speaker is entrusted to ensure that no vote, resolution, address or Bill that necessitates an appropriation of any part of the public revenue is considered by the Legislative Assembly without having been first recommended by the Lieutenant Governor.

A ruling of April 18, 1977 reconfirmed the authority of the Speaker to examine Bills as they are introduced in regard to the need for the royal recommendation.

On Friday, April 20, 1990, Bill No. 13, An Act to Provide Access by the Public to Government Information, which stands in the name of the member from Saskatoon Eastview, was given first reading. I have perused Bill No. 13 in accordance with my duty, and I wish to make the following ruling:

The practice of this Assembly is made clear by a Speaker's ruling dated March 30, 1965, which states:

. . . a principle of our constitution is that the purpose of a money Bill must be recommended to this Assembly by message of His Honour the Lieutenant Governor. A corollary principle is that such a message can only be delivered to this Assembly by one of His Honour's advisors who is a minister of the Crown.

Erskine May makes a number of distinctions when any given provision of a Bill is tested in regard to necessity for a royal recommendation. If a royal recommendation is to be required, the Bill must propose a new and distinct expenditure of public funds. Where a given provision within the Bill is covered by some general authorization elsewhere in statute, a royal recommendation is not required. As is stated on page 795 of the 20th edition of Erskine May's Parliamentary Practice:

The test for determining this question in the case of a substantive proposal, that is, a provision in a Bill as introduced, is a comparison with existing law.

In stating which provisions would require a royal recommendation, Erskine May further states, on page 797, the following under the heading, "Moneys to be Provided by Parliament":

The most frequent case of expenditure of this type is that of charges upon the moneys to be provided by Parliament for salaries and other expenses caused by the imposition of novel duties upon the executive government by the legislation of the session.

According to the examples cited in May, and I again quote page 797, instances of charges imposed upon moneys provided by Parliament include the following: "The expenses arising out of the imposition of new duties on an existing department or authority."

Since Bill No. 13 has been printed, I have made a careful review of the Bill with May's directive in mind. Section 4 of Bill No. 13 proposes the following provisions:

- (1) The Ombudsman shall be responsible for the administration of this Act and the regulations thereunder.
- (2) The Ombudsman shall cause to be published, at least once each year, a list of all departments indicating in respect of each department:
 - (a) a description of the general category of information prepared by or under the control of the department;
 - (b) the name and address of the access officer for each department; and
 - (c) the regulations stipulating the procedure for the application and receiving of information.

When comparing the provisions of Bill No. 13 to existing legislation regarding the Ombudsman, that being chapter 0-4 of the Statutes of Saskatchewan, The Ombudsman Act, it is apparent that section 4 of the Bill imposes new and significant duties on the Ombudsman above and beyond existing responsibilities.

The administration of this access to government information legislation would constitute, I believe, an added responsibility for the Ombudsman not hitherto recognized. I find no provisions in The Ombudsman Act that would provide sufficient authorization for expenditures arising from this Bill.

The past practice of the Saskatchewan Legislative Assembly has been to

disallow Bills that impose distinctly new duties or responsibilities above and beyond existing authority without a royal recommendation.

I refer members to the following two precedents of this Assembly: On March 24, 1966, the Speaker ruled a Bill that proposed new duties on the Provincial Secretary's department to be out of order. On May 20, 1980, the Speaker ruled a Bill that proposed new responsibilities for the Provincial Auditor to be out of order.

The existence of section 4 of Bill No. 13 leads me to the conclusion that the Bill makes a new charge on public moneys. Therefore, I must rule Bill No. 13 to be out of order.

Mr. Lingenfelter: -- Mr. Speaker, with leave, I would just like to make a comment and I guess get a point of clarification. It's my understanding then . . .

The Speaker: -- Order, order. I'm afraid there isn't a point of clarification, a point of order that I can recognize on this matter, and I must rule your inquiry out of order.

Order. I will not discuss the Bill. That is my ruling, if that is what you're asking for. But we're on orders of the day.

STATEMENTS

Struggle for Human Rights in South Africa

Mr. Pringle: -- Mr. Speaker, before orders of the day I beg leave to make a statement on a matter of interest and serious concern to the House.

The Speaker: -- I had indicated to the hon. member that I would recognize him, so in the spirit of co-operation, I would like to ask him to give you permission. You may proceed.

Leave granted.

Mr. Pringle: -- Mr. Speaker, he had done that and I appreciate that in light of my students waiting for me, and I also had sent a copy of my statement to the minister, Mr. Speaker.

Mr. Speaker, on April the 28th, the Reverend Michael Lapsley received a letter bomb in the mail. Today he lies in hospital, the tragic consequence of the struggle for human rights in South Africa.

Reverend Lapsley had just completed a tour of Saskatchewan where he advocated increased sanctions against South Africa. On returning to Zimbabwe to continue his life's work, this senseless act of violence was perpetuated against him. Today, Mr. Speaker, we pray for his recovery.

Canadians have been cautiously optimistic about the positive changes we have witnessed in South Africa. The changing of the guard and the symbolism inherent in the release of Nelson Mandela had an impact

throughout the world. But this is only the beginning, Mr. Speaker. It is obvious that the pressures that have been brought to bear on South Africa by the international community have been effective in prompting change, but resistance to change is obvious by these acts of violence, as we see in the case of Reverend Lapsley and many other such threats.

Those who would maintain any inequality will fight for that privilege as evidenced in this latest tragedy. Therefore, we cannot let up. The international community must continue tough sanctions against South Africa. Today let us stand on record to continue sanctions against this country, because just as you and I, Mr. Speaker, have a right to be free, so too do black people in South Africa. Thank you very much.

Some Hon. Members: mHear, hear!

(1500)

Hon. Mr. Neudorf: -- Thank you, Mr. Speaker. I thank the member for sending a copy of his statement across the floor to me, and I just want to indicate that the members on this side join with him in deploring such acts of violence in the world where the man's inhumanity to man is exemplified. And we certainly want to give our support to the freedom fighters in South Africa as they fight so heroically and so dangerously, I might add, for what they believe in and what we tend to take for granted at times, this tremendously democratic country that we live in. And so we join with the members opposite in deploring these acts, the senseless acts of violence, and join in their prayers for the recovery of Mr. Lapsley.

Some Hon. Members: mHear, hear!

May Day

Mr. Hagel: -- Thank you, Mr. Speaker. Before Orders of the Day, I beg leave of the Assembly to make a very brief statement on a different matter of concern to all members of the Assembly.

The Speaker: -- What's the matter, so that the hon. members can make a decision?

Mr. Hagel: -- The government has been advised regarding May Day.

Leave granted

Mr. Hagel: -- Thank you very much, Mr. Speaker, and I appreciate the concurrence of members opposite to permit the statement.

Mr. Speaker, today being May 1, I wish to recognize an international tradition which actually began in the United States in the 19th century and has come to be celebrated in many parts of the world over the decades.

Today is May Day, a day in which the contributions and plight of working people are recognized world-wide. I'd like to particularly express my appreciation and that of this Assembly for working men and women across

Canada and here in Saskatchewan. Workers in our society are the backbone of production, service, and the economy, Mr. Speaker.

I am pleased to note, Mr. Speaker, that in Red Square in Moscow today, May Day was not celebrated with a parade of military might but is seeing an expression of new-found freedom of speech.

It's my view that as people increasingly experience the privileges and the freedoms of democracy, overcoming the restraints of oppressive governments, workers will be among those whose lives are most positively affected. I conclude by expressing again, Mr. Speaker, my appreciation for the contributions to Saskatchewan by the working men and women of our province.

Some Hon. Members: mHear, hear!

Hon. Mr. Neudorf: -- Once again, Mr. Speaker, I would on behalf of this side of the House concur in what the hon. member has said. I do not have the advantage of having the notes that he was using. So I would like to also commend the working people, women and men, in all of the world as they contribute to the welfare of themselves and their own countries. And particular our thoughts go to the men and women in Europe and certain parts of Europe and so on, as they struggle for the democracy that we were talking about, that the critic from the Family referred to just a little bit before. And so I would like to commend the member opposite in bringing this motion or this note to the floor and we concur in the comments that he was making.

MOTION UNDER RULE 39

Federal Assistance for Saskatchewan Farmers

Hon. Mr. Martens: -- With leave, Mr. Speaker, I want to introduce a motion pursuant to rule 39, and if I would be given permission to read it, I will do that:

That this Assembly, noting the overall hurt to Saskatchewan's agricultural community resulting from high domestic interest rates, high freight rates, low grain and oil-seed prices caused by global subsidy wars, high input costs and weather related incidents, demand that the Government of Canada execute its responsibility to Saskatchewan by applying its constitutional authority over banks, lending institutions and federal agencies to alleviate the farm debt crisis in Saskatchewan.

Further, that this Assembly demand the Government of Canada establish a contingency fund to offset global subsidy wars and to lobby in Europe and United States for an end to the grain price wars.

If I would get leave, then I would discuss this.

Leave granted.

Hon. Mr. Martens: -- Thank you, Mr. Speaker. We have today again received some disheartening news for agriculture in Saskatchewan with a decrease in

the prices of . . . initial prices of grain in the province. Mr. Speaker, that has initiated a response of this nature in dealing with the problems that we face in agriculture. I want to deal with each one of these as items that I want to talk about.

First of all, the high interest rates as we have them in the province of Saskatchewan. I want to say to you and to the people of the province that it is increasingly disappointing for the people of Saskatchewan, because of the high interest rates, that we have to fight inflation for all of Canada. We have in the province of Saskatchewan a unique situation, I believe, as it relates to a number of things, and I want to point them out too as I discuss the issue.

First of all, dealing with the fact that interest rates have a high degree of significance to the province of Saskatchewan.

An Hon. Member: -- When did you learn that?

Hon. Mr. Martens: -- Mr. Speaker, the member opposite asked me when I learned that and I will tell him. It was in the late '70s and the early '80s when they were government.

Mr. Speaker, I want to point out that the interest rates in the province of Saskatchewan for every point that they move up or down is a cost . . . or a decrease in cost of \$37 million. That, Mr. Speaker, has significant impact in the province of Saskatchewan.

The reason why it has that is because we have a lot of the loans in agriculture are on a floating rate, on an annual floating rate. And what that does, Mr. Speaker, is it increases the cost of production to the people of Saskatchewan. Increasingly it increases that cost, and one point, or 1 per cent on the interest rates moves that \$37 million. And that is extremely relevant to the problem facing the input costs or the farmers facing the cost of production in the province of Saskatchewan.

I believe that it is fundamental that we have some kind of mechanism in place to deal with that. I want to point out that through the last eight years we have tried to address that in a number of ways, and I want to point some of them out.

I believe that the role we played in providing a livestock cash advance to the people of Saskatchewan was one way that we did that. That's at zero interest. I want to point out that that is a significant saving to the people of Saskatchewan because the farmers of Saskatchewan can use that money then to offset some of the other costs that they have had.

We've realized the value of this in the last three or four months as we've had discussion on the cash advance on grain and the federal government moved up on the price of . . . or the interest rate on the cash advance on grain. And we have realized the value that that is to the province and to the people who farm here in Saskatchewan. And I want to point that out as a very important part of the kinds of things that we have been doing.

One other thing I want to point out, on our capital program in ag credit corporation, we have been dealing with these on a long-term basis where we have interest rates at nine and three-quarters per cent interest. And, Mr. Speaker, those are very significant when you realize the high rates of interest that are being charged at commercial lenders whether they're credit unions, banks, or Farm Credit Corporation.

I want to point out too that we have looked at a number of other areas as it relates to interest reduction, dealing in analysis of the value that the volume of rebates and the fixing of interest rates to the farmers of Saskatchewan has given a net benefit for 1990 of \$94 million. That's our estimate of a realized net saving to agriculture in Saskatchewan on fixing the rates of interest where they are today in the programs that we have initiated.

The spring seeding program is another area that I want to point out as a direct benefit to the people of Saskatchewan in rural Saskatchewan. I want to point out also, Mr. Deputy Speaker, that the value passes itself on to those service industries that are involved in supplying fuel, fertilizer, and all of the components in relation to the inputs that farmers have to have. That is passed on to those producers when they have a lower input cost on their interest rate. And I want to make an observation about the fact that the banks and the credit unions in the province of Saskatchewan were prepared to deal with the spring seeding program.

We had a long series of meetings with them to determine what the rate should be and also on the method of delivery. And I want to say that they were responsive and the methods that we used in dealing with the context of the delivery reflected some of the suggestions that they made. And I think that that's extremely important.

I want to talk a little bit, Mr. Speaker, about freight rates. We heard yesterday in the House here and earlier, that freight rates were going to go up. And the freight rates, Mr. Speaker, reflect a volume of dollars as an estimate in terms of the volume that is contributed by the federal government. And as we learned yesterday, that that has a direct negative impact on the farmers of Saskatchewan moving their grain to port.

And I want to point that out as being very significant in the long term for the grain producers in the province.

The freight increases have had a number of other dynamics that I think need to be pointed out and it was addressed to some extent yesterday by the minister for Highways, the member who is going to be seconding this motion, that the farmers had a reserve account in that transportation of over \$120 million.

And I think that that is significant because we did not move into export position the grains that were related to the expectation of the volume of subsidy that they got. We have a surplus in that account of over \$120 million. And, Mr. Speaker, that has been a cost to the people of Saskatchewan, and I want to point that out too.

Now the third item on this list of things that I want to talk about are in the area of subsidy wars in the international field.

I was reading the other day, Mr. Deputy Speaker, about the fact that in Japan the rice is subsidized to the tune of six times world market -- six times the price of the world market. That's what the farmers in Japan get for rice. And what has happened, Mr. Speaker, over the years, is that they have accumulated a high volume of surplus in rice in Japan. And that is because they have subsidized the farmers to the extent to deliver the kinds of things that they do over there. That cost in 1989, Mr. Speaker, was \$74 million.

Now to deal with that in another country, the United States, they subsidize in two ways -- well, probably more than that. But you have in United States a consumer subsidy; you have the government subsidy which is a producer subsidy, and then, Mr. Deputy Speaker, you have the export enhancement subsidy which is also a part of the total money that is paid to agriculture. And what it does, in fact reduces the opportunity for the investment of agriculture in other countries who cannot perhaps afford to deliver the subsidy or do not desire to do that.

We have the third countries or group of countries that cause a serious problem in global subsidy wars, and that's the EEC, the European Economic Community. In the European community there are serious concerns about how they address the grains and oil seeds, and the subsidies they pay to the producers over there. Mr. Speaker, they pay subsidies in grains; they pay subsidies in oil seeds; they pay subsidies in livestock, pork, beef, dairy products -- all of them. And that, Mr. Speaker, causes a serious problem in those countries who do not do that.

If you take a look at those countries who are more tuned in to what Saskatchewan and Canada do, those countries are New Zealand, Australia, Argentina. They have their market-place being driven by the international market.

(1515)

I want to point out too that there are three things that . . . in the wheat trade, there are three things that realize price. One is the production, the international production of grain by farmers. The second thing is the consumption by the people in the world, and the third thing is the stock on hand, the reserves.

And, Mr. Speaker, as we had indicated earlier today, the Premier said that there were 20 days of stock on hand in the world. We have had that problem or that volume of stock hit that level three times since 1960. And in those three times, Mr. Speaker, one was in 1972. And this is very important for the discussion about the initial price. In 1972 we had a stock unit, a component of 17. And when that hit 17 in 1972, that price was at 69 or \$79 a tonne. In 1973 it went to \$168 a tonne. Mr. Speaker, it jumped almost a hundred dollars a tonne -- \$90 a tonne in one year when it moved two points down in the stock unit ratio. And that, Mr. Speaker, what it did, it responded to the market.

In 1980 the same thing happened. In 1980 we had a stock unit ratio exactly the same as in 1972. What happened? The market-place responded to the stock on hand. It went from \$185 a tonne a \$222 a tonne. Mr. Speaker, that was a direct response to the decrease in volume of stock on hand in the international market. It reflected in the price moving up.

What did we have in 1989? Mr. Speaker, in 1989 we had a stock unit of 19 -- Mr. Speaker, a stock unit of 19. In 1989 it was \$195 a tonne. In 1989, Mr. Speaker, that moved down two points. Consumption took away . . . we had lower volumes of grain production. And what did that do? In 1989 it was 195, and in 1990 it was 195. It went down \$10 a tonne from last year to this year.

For next year, what's it going to do? We just heard today it was going to go down another \$30 a tonne. And, Mr. Speaker, what has happened is, if all of the things stay constant, we probably will have a lower volume of stock on hand than we had last year. What that should do is reflect an increase in price, and what has happened is reflected a downturn in the price.

And you tell me why. It has to do with international trade wars. It has to do with export enhancement subsidies. It has to do with the agreement on trade and tariff being negotiated with the various governments in Geneva today. That, Mr. Speaker, is the reason why we have the kind of wheat price that we have today.

And our contention, and the Premier is absolutely right, the Minister of Agriculture in Alberta, the Minister of Agriculture in Manitoba, and the Minister of Agriculture in Saskatchewan all agree that this is international subsidy war, should not be fought on the basis of a provincial government being responsible for it. We have maintained that all the way through our discussions in this session, and we will continue to do that.

It also, Mr. Deputy Speaker, says that we need to have a level playing-field. It means a level playing-field in Canada, which is . . . we are working on that. But it also means a level playing-field in the international scene.

And that is very difficult to maintain when other governments are using a social policy to dictate their food supply from agriculture to we in Saskatchewan who market or export the majority of our products. And that's what is extremely difficult to compete. It's difficult for our farmers to compete. Most of our farmers, Mr. Deputy Speaker, are competing with that on the basis of borrowed capital. And that is what causes a great deal of concern, not only to this government, but to the farmers of Saskatchewan and to all the people in western Canada. We are fighting with borrowed money what other countries are using from tax dollars to supply back to their producers. And that, Mr. Speaker, is why we think it's necessary to discuss this kind of a motion that says that it is not our responsibility.

Montana farmers and ranchers do not fight the international subsidy wars.

The farmers in Japan do not fight the international subsidy wars. The farmers in Germany, France, Italy, Britain, Ireland do not fight the international subsidy wars out of borrowed capital. What they do in fact, Mr. Speaker, is they ask the taxpayer to consider their contribution. And we here in the province are asking the federal government to address these opportunities in relation to the province of Saskatchewan for agriculture. We feel that it is very, very important.

I will talk about some of the other things that are high input costs as it relates to agriculture. We could talk about fuel. This province will give back to agriculture in Saskatchewan \$110 million in fuel rebates. That, Mr. Speaker, is of value to agriculture in its input costs.

Now that volume of dollars is significant. A high degree of that money would impact into the treasury in Saskatchewan if we did not say that they would be able to have their fuel reduced by that volume of dollars. That has significant benefit to our producers. And I want to indicate that it is significant. It is significant on my farm and it is significant on yours and to the other farmers in the province. And I want to say that it's important because when you take and look at the three things that constitute the highest input costs in the province of Saskatchewan, the first one is depreciation, the second one is interest, and the third one is energy. And those three, Mr. Speaker, are, all of them, impacting on Saskatchewan more today because of the policies of the interest rates and the dollar policy as it relates to the federal government.

I want to point out to each of you that a 1 cent change in the dollar has a \$50 million plus or minus in our export trade component too. I want to point that out as being extremely important. If we have . . . well for last four years we've probably had a movement from 75 cent dollar to an 85 cent dollar. That alone, on an annual basis, is worth \$50 million, and that \$50 million has a great deal of significance in reviewing how we should deal with our export market.

Here again, those countries like United States and Europe, where the majority of their products are consumed domestically, does not have an impact because the export market does not reflect on an exchange value. But in Canada, and especially in Saskatchewan, it is extremely important and I think it's necessary to have the people of Canada realize that it's important for them too.

We are asking, Mr. Deputy Speaker, in this resolution, that the federal government take and assume some responsibility in interest and in their fiscal monetary policy -- that's what we are doing -- as it relates to lending institutions and other federal agencies. Mr. Speaker, if the federal government were serious about doing, helping farmers in the province of Saskatchewan, they would take a serious look at what Farm Credit Corporation could do.

Mr. Speaker, if I could reflect a little bit on history. If the federal government today would put into place some of the same things and the same policies in Farm Credit Corporation that were in existence in the '60s and the early '70s, we would, in this province, have a far different attitude

towards the lending institutions and the problems that we're facing in agriculture today.

We believe that the federal government needs to set up a mechanism to deal with the problems as it relates to the global subsidy wars, and that, Mr. Speaker, is why we had this discussion today, as it relates to this emergency debate.

I feel, Mr. Speaker, that many times we have addressed this problem from the point of view of saying, what can I do to become more efficient? What can I do to have efficiency regulate and detail of the various operations that I have on my farm and my ranch? And what happens, Mr. Speaker, is that the focus goes to that, and what we often do is forget that we cannot carry some of those items by ourselves.

And if we deal with those that are . . . for example, fuel, which have taxes imposed by the federal government for agriculture. We have a high interest rate policy as it ascribes to reducing inflation in other parts of the country. We have had almost a forced economy dictating itself by the control that inflation will have on our economy. We have other parts of the country which have inflation that causes a problem, and in the province of Saskatchewan we have deflation.

So what we have is a reduction in assets and in value of agriculture in the province of Saskatchewan. We need to have the federal government understand that it is extremely significant.

And therefore I move this motion, Mr. Speaker, as a result of a number of things that have happened recently. And I want to say that in many cases we are looking for the federal government to come forward with some assistance as it relates to agriculture. We have, in the province of Saskatchewan, 22,000 families who are earning off-farm income -- 22,000 families who earn \$600 million worth of income.

Mr. Speaker, I have talked and visited with a lot of farm families today and they would be prepared to earn a living on the farm if the farm would pay enough to deliver a reasonable income. And they do not believe, for example, that they want to work off the farm but they're forced to do that. And what that has in fact done, it has reduced the volume of job opportunities for others in this province because two people in the same home are almost required to deliver an off-farm income to pay for the fact that they want to live on the farm. And that has caused a serious problem as it relates to the kinds of opportunities that are available to those people in urban Saskatchewan.

And so what I want to say to those people in the urban centres is that we cannot fight this by ourselves. We have to take a hold of the problem and deal with it as a group of people trying to deliver a better opportunity for all of us in Saskatchewan. And that's what's really important, and that's why we are struggling and working as hard as we can on the agriculture side to make that opportunity available to the rest of the people in the province.

And therefore, Mr. Speaker, it is I believe significant for this government to make this kind of a motion on this day, and it's a pleasure for me to move it, although I believe that it would have been a whole lot better for me and for the government and the people of this province to have been able to compliment someone else about their involvement.

And I want to say that I think that agriculture needs this. It isn't a matter of putting this on to issues or getting money from the taxpayer to buy commodities that we don't need. Mr. Speaker, it is serious in rural Saskatchewan, and we need to have the kinds of things to look at to give us an opportunity to compete on the international market.

I want to point out, Mr. Speaker, some of the things that we have done as it relates to agriculture. And I want to point this out because we have been dealing with the federal government on a grant that they have said that they would be prepared to give us if we matched their dollars.

(1530)

Mr. Speaker, as we met with the ministers of Agriculture in Ottawa just recently, we talked about the kinds of things that were on their agenda and we talked about the issues on the green paper that they dealt with in December. And some of those things, Mr. Deputy Speaker, are right and they are good for Saskatchewan.

I want to point out that over the past six or seven years we have had a fair degree of assistance from the federal government, from the federal taxpayers. And I want to say that it's been of benefit to us, because in 1984 and '85 we had drought, in 1988 we had drought, in 1987 we had problems with the price of the grain. And all of those things, Mr. Speaker, reflect on the market-place not being able to deliver the volume, that is, of dollars that are required to give us an opportunity to earn a living.

That amounted to something like \$8 billion, seven and a half billion dollars in total. Of that seven and a half billion dollars, we provided to the province of Saskatchewan somewhere in the neighbourhood of 800 million. Now what that says, Mr. Speaker, is that we in the province of Saskatchewan deliver to agriculture Saskatchewan about one out of every \$8 that were available in dollars accruing to agriculture in Saskatchewan -- one to eight.

And, Mr. Speaker, why I want to point that out is, it has some significance in what the federal government is asking us to do today.

It has some significance for a number of reasons. Number one, dairy production in Canada is a supply management system. I have no problem with that. However in Quebec and in Ontario, the subsidy is a 100 per cent paid for by the taxpayer -- 100 per cent paid for by the taxpayer in Ottawa, not in Ontario and not in Quebec.

What happens in Saskatchewan, when we talk about wheat production or grain production, here all of a sudden we have to start to split it 50-50, and

that causes us a serious concern, Mr. Speaker. Are we going to deal with our dairy products in the same fashion that we're going to start dealing with our grain production? Like they're talking about this subsidy on grain production. Are we going to talk about a 50-50, a dollar-for-dollar split on what the federal government gives us? That is what's causing me some concern.

Another thing that's causing me some concern is the value of the Crow to the grain producer in Saskatchewan. Are we going to start to cost share that on a dollar-for-dollar basis? And that, Mr. Speaker, is another reason why this raises some concern. If we go with this, for example, will that in fact give the federal government a precedent to establish how they should be delivering their funding for agriculture in Canada? And I don't agree with it and neither do we on the government side.

And that's the reason why, Mr. Speaker, we raise this concern in relation to the federal government and its policies, as it relates to the subsidy wars, as it relates to interest, and as it relates to debt financing. We believe that it is necessary for us to deal with this in this context.

Mr. Speaker, we are going to be making representation. And as a matter of fact later today we're going to be talking with the ministers of Agriculture in western Canada here again to try and formulate a pattern to deal with the problems that have arisen because of the federal government wishing to give us the subsidy on a dollar-for-dollar, 50-50 split basis. That has caused us a serious problem.

What they have done, Mr. Speaker, is they have off-loaded a whole lot of the things that they were supposed to be responsible for. And, Mr. Speaker, every time that hits the province of Saskatchewan and the people of Saskatchewan it impacts doubly as hard. And that is why it is significant for the people to understand in Saskatchewan that we are paying, we are paying not only in the fact that their budget is being off-loaded on us, but we are paying for the price of inflation in other parts of Canada by having a deflation, number one, and interest rates that are excessive.

That, Mr. Speaker, is why I think it's necessary for us to discuss this resolution here in the Assembly today. And that's why I am happy to move, seconded by the member from Kelvington-Wadena, this motion.

Hon. Mr. Petersen: -- Thank you very much, Mr. Deputy Speaker. I'm very pleased to take part in this debate today and to second the motion by the hon. member from Morse, the Associate Minister of Agriculture. My remarks today are going to be confined to the area of grain transportation and freight rates, rather than dealing with the broad spectrum of the motion. I'll leave that up to other members to comment on.

Mr. Speaker, for the benefit of members opposite, yourself, and people watching this proceedings at home . . . (inaudible interjection) . . . And members opposite say they've turned off their television sets. Well that may be, but for those that still are watching, Mr. Speaker, I would like to make a couple of things quite clear. When you see questions come up by

members opposite in question period, when they talk about the important issues of the day, for the most part they are dealing on headlines that appear in papers or news stories that appear, and they are looking for quick snapshots, if you would, of the government's position on any of those issues.

What people do not see is the amount of work that departments of government do behind the scenes, do government to government, do in the offices that we have here in Regina and that the civil service is set up to accomplish. The background work, Mr. Speaker, that allows us to sit in this Assembly and speak and to ask questions and to deal with topics is myriad, Mr. Speaker. There is a great amount of work that is done by people in departments.

And in the area of freight rates, that is also very true. Yesterday, members opposite asked, so what has the government done with regard to freight rates, and they were talking about one little story in the paper that appeared yesterday. Well just for their benefit, I had the department go back a couple of years and list out for me all of the documents and reports and studies that we have been involved with as the Department of Highways and Transportation in trying to maintain the lowest freight rate possible.

And I'd like to go into a bit of that, Mr. Speaker, by way of explanation. Then I'd also like to go into some of the news stories that have come out in the last couple of days with regard to the Senior Grain Transportation Committee recommending a 33.3 million metric tonne volume estimate for this year's grain that amounts to a \$10.70-a-tonne cost to the producers of the province of Saskatchewan.

So, Mr. Speaker, with that I would just like to go through some of these reports, and I'll table this list when I'm done, Mr. Speaker. But we went into a summary of submissions of the provinces of Saskatchewan, Alberta, and Manitoba to the National Transportation Agency for the 1988 quadrennial review of the Western Grain Transportation Act from December 12, 1988 to February 23, 1990.

Mr. Deputy Speaker, by way of explanation, it was that quadrennial review that led to the National Transportation Agency decision number 570-R-1989 that allowed the National Transportation Agency to save farmers in western Canada \$120 million.

It includes submissions on the following issues: the validity of current net to gross ratios; allocation of reduced crew wage costs; CN adjustment; working capital index; treatment of labour and programmed track replacement; adjustment to based year costs; deferred income taxes; extraordinary gains; CPR costs of capital; level of contribution to constant costs. It included an analysis of procedures used to forecast grain and oil-seed shipments, November 1986.

We had a submission of the provinces of Alberta, Manitoba, and Saskatchewan to the railway transport committee on the review and determination for 1984 of the volume-related variable costs of the railway companies for the

movement of grain and the line-related variable costs of the railway companies for grain-dependent branch lines, pursuant to section 38 of the Western Grain Transportation Act.

Now, Mr. Speaker, I can keep going on and on and on here, and I plan to. I just want to show to the members opposite that while they sit and laugh and snicker in their seats -- and they are; they are sitting there -- and the member who sits there and laughs and snickers also makes comments about brain-dead civil servants, Mr. Speaker.

The Deputy Speaker: -- Order. Members are not to make reference to people in the House or out of the House, and I would ask the member to refrain.

Hon. Mr. Petersen: -- Thank you, Mr. Speaker. Mr. Speaker, as well as those reviews, we went into a review of certain aspects of the Western Grain Transportation Act, January, 1986, which would examine shipper share limitations, alternate rate scale structures, and recommendations of the McDonough inquiry.

We went into a summary of submissions of the provinces of Alberta, Manitoba, and Saskatchewan, to the Canadian Transport Commission on the review of the Western Grain Transportation Act. We had a submission of the provinces of Saskatchewan, Alberta, British Columbia, New Brunswick, Newfoundland, Nova Scotia, Ontario, Prince Edward Island, and the province of Quebec, to railway transport committee, Canadian Transport Commission, in the matter of railway cost of capital volume 1 and 2, Mr. Speaker, and that was in March of 1984, and it presents the province's position on the appropriate cost of capital to be earned by railway companies for regulated freight rates including grain.

Mr. Speaker, I will now list a group of submissions that were made, and I only went back to 1985. Number one, comments of tie replacement, intermodal and tank car traffic, October 7, 1985; comments on the report number 11, background analysis of the CN adjustment, November 7, 1985; submission on the cost of capital for Canadian Pacific Ltd., November 27, 1985.

Well, Mr. Speaker, I could go on for several minutes, going through this list of submissions, but I don't think it's going to do the Assembly any good. I think I've made my point and that is that the Department of Highways and Transport has been doing its job and has been working very hard and deserves some commendation and credit from members opposite and indeed the entire public of the province of Saskatchewan, instead of the snide comments that we hear about civil servants.

Mr. Speaker, I'd like to lay this on the Table if I may.

Mr. Speaker, by way of that explanation, Mr. Speaker, I would now like to go into how the Department of Highways and transport and the National Transportation Agency came to save western Canadian farmers \$120 million. And I'd advise the critic for Highways and transport to pay attention because he hasn't asked a question all session on highways, on freight rates, on railroads, on anything. And I know he's quitting and I

understand that that's fine and old age is creeping up on him. I can understand that he wants to go out and do a little golfing and have a little fun, and I can expect him to do that. But while he's still in this Assembly and being paid as an MLA and a critic, I would expect that he would pay some attention to his job.

(1545)

Now, Mr. Speaker, we went into a four-year review, as I said, with the National Transportation Agency. There was a public hearing that was held. We had input and support from the Department of Highways and transport. Now what we said there, Mr. Speaker, was that certain costs that the railways were attempting to have included in the freight rates actually no longer existed and had been done away with through efficiencies in the system, changes in the way they moved grain, changes because of railway abandonment that they themselves had perpetrated.

The Senior Grain Transportation Committee disagreed with us and disagreed with the NTA (National Transportation Agency) on that ruling, and they appealed the decision to the federal court of appeal. And, Mr. Speaker, they lost. They lost.

The National Transportation Agency and the province of Saskatchewan and the producer groups that supported that -- because not all producer groups did support that -- won. Mr. Deputy Speaker, we won. And it established the principle that the National Transportation Agency has the authority to set freight rates. And so accordingly, on February 28 of 1990, the National Transportation Agency issued a communique stating that it had approved a rate scale for the movement of western grain during the 1990-91 crop year which would lower the average rate paid by shippers by about 13 per cent.

In 1989-90 the shippers paid an average of \$9.45 per tonne, and under the new scale the shippers would pay an average of \$8.19 per tonne in the coming crop year. The new rate scale, which was subject to the approval of the governor there in council, was based on an estimate made by the National Transportation Agency that 29 million metric tonnes of grain would be shipped in the coming year. And that made some sense to me, Mr. Speaker.

The Grain Transportation Agency, which is the federal agency that is an arm of the Senior Grain Transportation Committee, estimated 33.3 million metric tonnes would be shipped during the crop year. And if the rate scales were based on that estimate, we would end up with the average shipper moving grain at \$10.70 per tonne, a difference of \$2.51 per tonne. And when you multiply that times 29 million metric tonnes, that's a lot of cash, and it's coming directly out of producers' pockets, Mr. Speaker, directly out of producers' pockets.

Now the National Transportation Agency noted that shippers have been adversely affected by the GTA's (Grain Transportation Agency) high tonnage forecasts in the past. Matter of fact, in the past two crop years, 1988-89, shippers overpaid by 75.3 million. The estimated shipper overpayment for 1989 is more than 52 million. And if we go along with the

33.3 million metric tonne volume estimate, we will overpay again by about 75 million, Mr. Speaker.

Now that's a lot of money. That's a lot of money. And, Mr. Speaker, that money comes out of producers' pockets in western Canada and goes to pay freight rates. And, Mr. Speaker, because the amount of grain that we have been moving, and that we expect to move, is not as high as what the volume being set or estimated by the Senior Grain Transportation Committee is, we end up paying too much. We end up paying too much.

And you know what happens to that money, Mr. Speaker? Do you know what happens to the approximately 127 million that we've already overpaid in the last couple of years? Do you know what's going to happen to the 75 million extra that we're probably going to overpay this year? Well, Mr. Speaker, I yesterday thought that that went into a pool, went into a fund, a reserve fund that was there to be used as a buffer in case we ever underestimated, in case we ever underestimated.

But, Mr. Speaker, in reading the Act I find -- and we're checking this right now -- that indeed that money may not be on hand to be used as a buffer. And indeed it may have been used by the federal government already to pay their share of the freight rates; \$127 million out of our producers has gone to the federal government to help them pay their share of the \$724 million that they are expected to pay under the Crow rate.

The members opposite over there say, what's your stand on the Crow? Mr. Speaker, they don't even understand it. They don't want to understand it. The critic hasn't asked a question. They don't care about it. All they look for is cheap, quick headlines that they can grab on a daily basis, Mr. Speaker. They have not taken the time to look into this, to understand it. They do not care about the people in the province of Saskatchewan. They do not care about the farmers.

Some Hon. Members: mHear, hear!

Hon. Mr. Petersen: -- Now, Mr. Speaker, I don't want to be partisan about this. I don't want to be partisan about this but, Mr. Speaker, the truth is the truth. They haven't brought it up in the House. They don't understand agriculture. They don't understand the costs that are involved. They don't understand how those costs are arrived at. We've got members that have had some experience in the federal House, Mr. Speaker. They don't

Dcare. We have a critic for agriculture that doesn't understand agriculture. We have a critic for transportation that I'm not too sure if he understands it or not, but he hasn't asked any questions. I have invited him to my office. I have invited the member for Elphinstone to my office to discuss this matter. Never an inquiry, never a question, never a telephone call. I haven't tried to be partisan, Mr. Speaker.

An Hon. Member: -- I wonder why.

Hon. Mr. Petersen: -- I've made the offer. And the member says, I wonder why. Well if you'd care, I'll take you to my office when we're done with

today and we'll sit down and I'll explain it to you point by point, so that you do understand. Because it is important that members on both sides of this House stand in unison for the people in agriculture in Saskatchewan, shoulder to shoulder. Because if we don't, Mr. Speaker, if we engage in petty partisan politics and continue to do so, we're not going to win.

The federal government, Mr. Speaker, has been doing things that members opposite don't seem to care about. They seem to stand up and have a quick headline, see if they can grab a quick headline, and that's it.

They ask me, what have we engaged in. What have we done as a government to talk about freight rates and help keep them down? Well I went through the list, Mr. Speaker. I only went through part of it; I tabled the rest. And there's more. There's more.

Now, Mr. Speaker, I ask them, what have they done? What have they done? Where's their letters? Where's their letters? Where's their telexes? Where's their studies? What have they done? What have they done, Mr. Speaker? Nothing. They have done absolutely nothing. They stand up in the House and they adhere to the doctrine of me too, and a little bit more -- me too, and a little bit more. Or too late, too little. Me too, and a little bit more.

The Leader of the Opposition -- he's an honourable man, Mr. Speaker -- stood up, stood up in this House and called for a spring seeding program, and we put it in place. And once we had it in place, he said, well like I said, me too, but it should have been a little bit more. Mr. Speaker, me too, and a little bit more, isn't good enough for a political party in this province.

Now, Mr. Speaker, the federal government overruled last Friday the principle that we had established on a decision that the federal Court of Appeal made with regards to the National Transportation Agency and its ability to set grain freight rates. And they overruled it, or they circumvented it, if you would, Mr. Deputy Speaker.

I wonder why in the one case the Senior Grain Transportation Committee would take the National Transportation Agency to court and lose, and then the next time the question of jurisdiction came up, they skirted the courts, went right to the federal minister, right to the federal government and said, quick, quick, give us a decision here; you got to help us out because we want to do this.

And I just wonder, Mr. Deputy Speaker, do you think they would deliberately try to get around a legal procedure? Do you think they would deliberately try to circumvent the court system that they knew would once again rule in favour of the National Transportation Agency? I wonder about that. I wonder about that.

Anyhow, Mr. Speaker, we're sitting here today with the volume estimate for grain to be moved in this crop year, of 33.3 million metric tons, which is going to cost us \$10.70 a metric ton.

And when I said 33.3 million metric tons, the member opposite said, maybe. Well I'd invite him to rise in this debate and tell us why he'd say maybe. Has he had some communication from the federal minister? Has he had some communication from his federal counterparts? Has he had some communication from the NDP MPs that we sent from Saskatchewan? Where are they on this issue? Where are they?

Mr. Speaker, you know what? The member opposite who was just chirping reminds me of a dog we used to have on the farm, Mr. Speaker. When the horses used to pull hay, when we used to have horses pulling hay, Mr. Speaker . . .

Mr. Deputy Speaker: -- Order, order. All members will get an opportunity to enter into the debate. I'd ask you to allow the Minister of Highways to make his comments.

Hon. Mr. Petersen: -- When those horses, Mr. Speaker, when I was a child, used to pull hay in the winter-time, that little dog that we had on the farm would run around and nip at their nose and nip at their heels and interfere with them trying to pull that load of hay. And that's what members opposite happen to remind me of.

But do you know what, Mr. Speaker? One day that old horse that was pulling that load of hay had had enough and he just reached out and kicked that little dog in the head and killed him dead. Just like that. And that's what's going to happen to the party opposite in the next election. The electorate is going to see that they are nothing more than a little dog yipping and yapping and biting at the heels of a horse that's trying to pull a darn heavy load, Mr. Deputy Speaker. Well, Mr. Speaker, this old horse here may not be all that great but I'm a long way from the glue factory yet.

Now, Mr. Speaker, I think I'll just conclude at this time by saying I have pointed out that this government, the Department of Highways and Transportation, the ministry of Agriculture and Food, this government in general, has stood four-square behind farmers when it comes to the issues of freight rates, when it comes to the issues of interest rate reductions. When it comes to standing up for agriculture, Mr. Speaker, there is no better government in the country of Canada.

Mr. Speaker, with that I will conclude by saying I'm very happy to second the motion that we're discussing and I will be supporting it whole-heartedly.

Some Hon. Members: mHear, hear!

Mr. Anguish: -- Thank you, Mr. Speaker. I too want to add a few comments to the debate on the motion put forward under rule 39, and just for the purposes of continuity I'd like to go through the motion itself, Mr. Speaker.

That this Assembly, noting the overall hurt to Saskatchewan's agricultural community resulting from high domestic interest rates, high freight rates,

low grain and oil-seed prices caused by global subsidy wars, high input costs and weather related incidents, demand the Government of Canada execute its responsibility to Saskatchewan by applying its constitutional authority over banks, lending institutions, and federal agencies to alleviate the farm debt crisis in Saskatchewan.

Further, that this Assembly demand the Government of Canada to establish a contingency fund to offset global subsidy wars and to lobby in Europe and United States for an end to the grain price wars.

That's what we're debating here this afternoon, Mr. Speaker.

Now, Mr. Speaker, we've had a government led by the current Premier since 1982. Since 1985 that Premier said that they were going to have in place a comprehensive agricultural program, and has it happened? No, it has not happened, Mr. Speaker. It has not happened because of the inaction -- or possibly the inability, but I prefer to think of the inaction -- of the government of the day in the province of Saskatchewan.

What a hypocritical stance we've heard here this afternoon from the member from Morse and the member from Kelvington-Wadena. I first want to comment on the speech of the member from Kelvington-Wadena, where he said he didn't want to talk about all the other problems. He wanted to talk about his area of expertise, which is transportation.

(1600)

High freight rates, Mr. Speaker. We have high freight rates in Canada, Mr. Speaker, because of the fact that the federal government, under your co-operation, did away with the Crow rate. You people did away with the Crow rate, which opened up the price for freight rates that are now burdening Saskatchewan farmers in getting their products to the ports.

Mr. Speaker, that's the true story on freight rates. That's what the member from Kelvington-Wadena failed to mention. Freight rates is a responsibility of the federal government, and when the federal government moved to do away with the Crow rate, they had the support of the Progressive Conservative Party in the province of Saskatchewan. And now they belate and moan the problems of increasing freight rates for Saskatchewan farmers, Mr. Speaker. How critical, how hypocritical.

Mr. Speaker, they talk about high domestic interest rates. What do they do about high interest rates? What do they do with the Agricultural Credit Corporation of Saskatchewan? What do they say when the Farm Credit Corporation of Saskatchewan continually increase the interest rates on loans to farmers through the Farm Credit Corporation? They sit back and say nothing. Not a word from the government condemning their federal counterparts when they increase the Farm Credit Corporation interest rates.

Interest rates, they say, domestic interest rates is a fool's game created by Conservative governments who spend wildly beyond the means to repay that spending -- wildly beyond that.

One of the reasons we have escalating interest rates in Canada, Mr. Speaker, is because we have a federal debt owing to foreign countries that is a portion to the foreign part of \$260 billion, Mr. Speaker. Of course we can't control our own interest rates in Canada, because their cousins in Ottawa have borrowed \$260 billion from the New Yorks and the Tokyos and the Switzerlands of the world, Mr. Speaker.

How can they be so hypocritical when they condemn their federal cousins on high interest rates. It's their fault we have high interest rates, Mr. Speaker. And they say to condemn the federal government. They're calling on us to condemn the federal government on interest rates.

I would have to assume that they're talking about the Farm Credit Corporation as one of those federal agencies in which they are displeased. Well I tell you, Mr. Speaker, that Saskatchewan farmers are just as displeased with the Agricultural Credit Corporation in the province of Saskatchewan which is your Tory government lending agency here, that is foreclosing on farmers in Saskatchewan at an unprecedented rate. How hypocritical your stance is on interest rates, Mr. Speaker.

They talk about low grain and oil-seed prices. Well, Mr. Speaker, I heard just a very short time ago, the Premier of the province of Saskatchewan saying that the prices will come back, the prices will come back in '92 or '93 because of world grain stocks being low. Well it seems that Adam Smith's invisible hand to the market-place must have been smitten off because now supply and demand doesn't work. World grain stocks are low. We heard that in the admission of the Premier's statement here in the House this afternoon, Mr. Speaker.

But what happens? Although the grain stocks in the world are low, the initial price drops. It was announced today -- 18 per cent for hard spring wheat; 18 per cent the price has dropped, Mr. Speaker. On durum it's dropped, the initial prices, by 17 per cent.

Now when they criticize the opposition for not understanding, how hypocritical that is too, Mr. Speaker, because obviously they don't understand or else they don't wish to take action. Maybe they don't wish to take action because they've burnt up all their goods with the federal cousins in Ottawa, with Mr. Mulroney, when they whined and screamed for the billion dollar deficiency payment during the 1986 election campaign, Mr. Speaker. Maybe that's why they have no spine to stand up to the federal government. Maybe that could be the case, Mr. Speaker.

Mr. Speaker, they talk about the global subsidy wars and how the rest of the world has declared economic war on the poor old province of Saskatchewan. Mr. Speaker, no one's declared war on Saskatchewan, economic or otherwise. It's the Tory Party in the province of Saskatchewan and Brian Mulroney and Michael Wilson that have declared war on Saskatchewan people, Mr. Speaker.

Some Hon. Members: mHear, hear!

Mr. Anguish: -- The rest of the world is struggling for survival, Mr.

Speaker. The world is in a state of upheaval. Canada -- Canada can stand on its own if it wanted to. We can't forget about the rest of the world, but certainly in Saskatchewan we've risen to the call before, where Saskatchewan people have been innovative enough to at least cushion themselves against the world tide. Whether it be economic or whether it be actual global war, Mr. Speaker, Saskatchewan people have always risen to the occasion.

But these Tories don't want to give Saskatchewan people credit. They want to bring in people that have priorities that aren't consistent with Saskatchewan, the Chuck Childers of the world that they bring in at a salary, at a gross salary -- and I'm telling you it is gross -- of some \$748,000 a year plus stock options. And yet they won't put money into Saskatchewan farmers.

They say they're putting over 500 million into the spring seeding program, Mr. Speaker. But as the member from Quill Lakes pointed out the other day, that subsidy that they're giving to the farmers works out to about \$300 for an average farm in Saskatchewan, Mr. Speaker. What a shameful, misguided list of priorities that this government has.

They've got money for Cargill too, Mr. Speaker. They've got \$369 million for Cargill, but not any more than \$300 for an average Saskatchewan farm. Mr. Speaker, that's a wrong list of priorities and the people of Saskatchewan have identified that they have a wrong list of priorities, Mr. Speaker.

Mr. Speaker, in the motion they also talk about the constitutional authority that the federal government has over banks. I want to say, Mr. Speaker, before they're too critical of their friends in the banking institutions of Canada, the five major chartered banks, the five major chartered banks don't hold anywhere near as much farm debt in the province of Saskatchewan as their own agricultural credit corporation does.

So why don't they do something about their own house, Mr. Speaker, before they try and condemn their federal cousins and the chartered banks in Canada? You've been known traditionally to be the defender of the strong central government in Canada and the defender of the large five main chartered banks in Canada. And now you condemn them, and your own house isn't even clean, Mr. Speaker.

Mr. Speaker, what a hypocritical position this government puts out in the motion laid before us today under rule 39. Mr. Speaker, they also refer in this motion to grain price wars and they want the federal government to lobby in Europe and the United States of America. Well, Mr. Speaker, I'll tell you that this government, the government of the Premier of Saskatchewan, supported free trade. Free trade, this government supported, Mr. Speaker.

Free trade was supposed to do away with these problems of our agricultural producers in Saskatchewan. It was supposed to be the leading to the promised land where fortress North America would no longer be cutting each other's throats back and forth across the border. What's happened with

that free trade agreement, Mr. Speaker, that they would now put forward a motion condemning the United States and wanting an end to the grain price wars with United States of America?

Where is your free trade agreement to assist our farmers in this time of need? The free trade agreement -- what has it done to help Saskatchewan farmers? What has it done to help Saskatchewan farmers? There are no answers from the government side of the House. This motion is not an answer to the problems facing Saskatchewan farmers.

An Hon. Member: -- It's an abdication of responsibility.

Mr. Anguish: -- That's right. The member from Quill Lake says it's an abdication of responsibility.

Mr. Speaker, I want to go through a few of the items that the federal government has cut back on Saskatchewan farmers, just briefly. The Premier says he got a billion dollars from the federal government for a deficiency payment. Now they want us to pass another motion, after a motion that was already passed in this legislature, calling for \$500 million from the federal government for spring seeding and another \$400 million in the fall.

This weakens that position of the Government of Saskatchewan and the unanimous consent of the legislature, Mr. Speaker. This government has done nothing to pursue the \$900 million. Where is that money now? Farmers are in the process of spring seeding, and what does this government do? They want to give farmers more debt in the province of Saskatchewan, and farmers tell us every day they don't need more debt. They need some sanity and long-term policy in agriculture in Saskatchewan, Mr. Speaker.

Mr. Speaker, I want to say that in 1984, 9.4 million was cut from livestock research and 30.6 million from programs and projects that have to do with agriculture, Mr. Speaker. The list goes on. I don't even think it's worthy to go through the list, Mr. Speaker.

At the conclusion of my remarks, I want to put forward an amendment to the motion. But before I do that, I want to say, Mr. Speaker, the main question that's being asked in the province of Saskatchewan today, by farmers and urban people alike, is when is there going to be an election?

Some Hon. Members: mHear, hear!

Mr. Anguish: -- Mr. Speaker, I would like to therefore in conclusion of my remarks, put the following amendment to the motion:

That all the words after the word "by" be deleted and the following substituted therefor:

1. immediately announce an interjection of \$900 million to Saskatchewan farm families, with 500 million to be paid out prior to seeding and the balance of 400 million be paid out in late fall;

2. establish a billion dollar contingency fund to counteract the disastrous effects on grain prices caused by the international grain subsidies war;
3. bring all possible pressures and resources to bear on the United States and European countries to achieve an early resolution of the international price wars;
4. applying its constitutional authority over banks and lending institutions to achieve a lasting solution to the current national debt crisis;
5. instructing the Farm Credit Corporation to rewrite mortgage values at realistic land prices, to be accompanied by more reasonable payment schedules;
6. maintaining the two-price wheat system and orderly marketing; and
7. making a greater commitment of federal resources to the implementation of long-term income stabilization programs in agriculture.

And I so move, Mr. Speaker, seconded by the hon. member from Saskatoon Westmount.

Some Hon. Members: mHear, hear!

(1615)

The Speaker: -- I'd like to ask for clarification from the hon. member. If he looks at the main motion, and I don't know if . . . do you have one before you, by any chance? If you look at the main motion you'll see that the main motion has two words "by." Your amendment reads that all words after the word "by" be deleted. Which "by"?

Mr. Anguish: -- I apologize, Mr. Speaker, for the unclarity of my remarks. It's in the one, two, three, four, fifth line. The fifth line will start out reading, ". . . responsibility to Saskatchewan by . . ." That is the "by" of which I'm referring to, Mr. Speaker.

Mr. Brockelbank: -- Mr. Speaker, I want to thank the Minister of Highways for the gracious invitation for me to get into this debate. And I will get right to the gist of this particular resolution or motion under rule 39.

What is rule 39? Rule 39 says quite clearly:

A motion may, in case of urgent and pressing necessity previously explained by the mover, be made by unanimous consent of the Assembly without notice . . .

And the prescribed notice normally is 48 hours. This is without prescribed notice, this matter of urgent and pressing necessity can be brought

forward.

The members of this Assembly on this side of the House have agreed to allow the motion to be brought forward under rule 39, but let it be clearly understood, Mr. Speaker, that this motion under rule 39, the mask of rule 39, is clearly a motion that has been on the order paper since away back on March 20 or prior to that. This motion the government put forward is a direct steal from a motion that's on the order paper listed as resolution no. 5. The member for Wilkie would be the mover. It's a direct steal from that.

If you want to go through the wording of it, you see domestic interest rates. It starts out the same -- noting the overall hurt resulting from . . . And it goes on to talk about domestic interest rates. And it talks about primary lending institutions, and it talks about alleviating the extreme pressing financial situation by agricultural communities in Saskatchewan.

So first and foremost, the members of the government put forward this resolution in the way of a farce, because it's been on the order paper for 40 days, sitting there on the order paper, never moved by one of those members. Never moved by the member from Wilkie. Now they put it forward.

They say, well now it's a matter of urgent pressing necessity, and we want the voters of Saskatchewan to see that we're there. As soon as the urgent and pressing matter occurs we're there with a special motion to discuss this matter and get the opinion of the Legislative Assembly. Well, Mr. Speaker, that is so transparent, so transparent, that all the people of Saskatchewan should be able to see through it quite clearly.

There's been an exclusion, there's an exclusion from this motion that was put forward under rule 39, and the exclusion is mentioning the bedrock, the bedrock of the agricultural policy of this government. The bedrock of the policy of this government was discussed by the Premier, but then he was a Doctor of Economics -- he was a Doctor of Economics.

And I want to quote the bedrock of the agricultural policy, the main industry of the province of Saskatchewan as cited by the Premier of Saskatchewan when he was a professor of economics at the University of Saskatchewan.

I'm quoting from the winter 1977 edition of Saskatchewan Business review:

Realizing that most of our food is produced by less than 20 per cent of the farmers, society may not wish to support higher food prices or producer security (well they certainly haven't supported producer security, this government) so that the

D non-productive 80 per cent of the farm population can live in the country at a profit.

And that was by Dr. Devine, agricultural economics professor, winter 1977 edition of the Saskatchewan Business review.

So this is the bedrock of agricultural policy as brought forward by that person who is not yet the leader of the Conservative Party, but in all the actions of the Conservative Party and the Minister of Agriculture who happens to be the Premier, he has sustained his policy. He has sustained his thinking of getting rid of 80 per cent of the farmers in Saskatchewan. He's well on his way to do that.

Under this agricultural policy of the Premier of Saskatchewan, the Minister of Agriculture, farm bankruptcies are up. Farm bankruptcies are up; bankruptcies in Saskatchewan have risen sharply. As a matter of fact if the members -- and I'm sure they all have -- noticed the article in the April 26 edition of the Leader-Post which shows the farms in financial trouble in the province of Saskatchewan, it's a very scary map of the province of Saskatchewan, and shows blocked off, Mr. Speaker, all of the farms that are in moderate financial problems to severe agricultural financial problems.

What is the status of agriculture today in Saskatchewan, Mr. Speaker? Well, 1,000 farm families leave the land every year in Saskatchewan and are not replaced. Under this government with its basic bedrock agricultural philosophy, 1,000 farm families leave the land every year in Saskatchewan and are not replaced.

At the end of World War II there were 125,600 farms in this province. Now there are 60,000, dropping by 1,000 per year -- or more. The statistics always trail the fact -- the statistics always trail the fact. It could be much more serious than that, Mr. Speaker.

Between the census years of 1981 and '86, the number of farm families in Saskatchewan declined from 59,671 to 54,478. And during that same time the number of corporate farms increased from 1,768 to 2,092 during the same period of time. I'm delighted to hear that the Minister of Highways and Transportation is interested in my topic, and I will be referring to him later on because he's taking a very, very interesting part in this whole issue of agriculture and transportation. I'm sure I'll get an opportunity later on, but I'm going to say a bit about him just a little later on in my comments, Mr. Speaker.

I have a news release in my hands from Agriculture Canada. This is dated March 30, 1990, very recent agricultural release from the Minister of Agriculture. And it says the federal government commits \$500 million in special assistance to farmers, Ottawa, March 30, 1990:

Federal agricultural minister today outlined a series of measures to assist Canadian farmers in 1990 including a federal contribution of \$500 million contingent on provincial participation to improve farm incomes in 1990.

And the Minister of Agriculture goes on with a direct quotation:

Farmers and their creditors need a signal from the federal and provincial governments that we will continue to stand by our farm community. Today the federal government is delivering a clear signal of continued support.

Well that's the position of the federal Minister of Agriculture in the Conservative government on March 30, 1990.

Now on April 27, which is about one month later, an article in the Saskatoon Star-Phoenix editorial page says . . . leads with this headline: "Promised help fails to arrive." Tory promises fail to materialize. The Star-Phoenix has made the clear observation of what has happened. They fail to deliver and they continue to fail to deliver as of today.

Farm credit loans are up. These are predictable results of a bedrock policy like this Premier brought with him when he came in to be Leader of the Conservative Party in Saskatchewan. Farm credit costs are up again.

Freight costs, and now we get to the Minister of Transportation. "Freight rate will cost more this year."

The federal government has decided to go with a Prairie grain freight rate that will cost farmers more in the coming year . . .

And this article on April 28 in the Leader-Post details this particular position.

The position of the Minister of Highways and Transportation in Saskatchewan is this, as demonstrated in an article in the Leader-Post, May 1, 1990, which is very recently. The article in effect shows the Minister of Highways and Transportation as being the chief hand wringer on transportation in the province of Saskatchewan. He says, among other things in this article:

Responding to Opposition questions about an increase announced in the grain freight rates . . . (the minister) said Saskatchewan has made its case for reduction, but his federal . . . (government) counterpart disregarded that . . . (information).

He's right in there pitching for Saskatchewan people.

"Sometimes, I just wonder whether or not the federal government really cares about Western Canada," he told the legislature.

To have the Minister of Highways and Transportation as the seconder of this motion is appalling -- is appalling. Because on all these major issues -- you take it, closing rural post offices, on agricultural assistance -- what this party needs here is a hand wringer because they're not making any headway, they're not effective in Ottawa, they're not effective with their federal counterparts in Ottawa. That is quite clear.

One of the oversights as I mentioned in this resolution that the Associate Minister of Agriculture and the Minister of Highways and Transportation put before us today, is the oversight of the attitudes and actions of this PC government in Saskatchewan. They didn't mention that because they don't want to talk about that. The less that is known about that with Saskatchewan voters, the better off politically this party will be.

But I want to take a moment, Mr. Deputy Speaker, to talk about the attitude and the connections, the connections of this Conservative Party with the powers that be. I refer to an article in July 20, 1989, in the Saskatoon Star-Phoenix. Headline: "Grain firm's lobbying pays off." The article lists or reproduces a couple of letters that occurred. One was a letter from Mr. Richard L.M. Dawson, senior vice-president of Cargill Limited to Mr. Charles Mayer of the wheat board.

The letter starts in a very familiar tone. It says: "February 29, 1988. Dear Charlie." Dear Charlie. In the letter that Mr. Dawson from Cargill Grain Limited is writing to follow up on our conversation in December regarding the marketing of oats. And he details to some extent Cargill's position with regard to the marketing of oats. In other words, that it should be taken out from under the jurisdiction of the wheat board.

(1630)

Later on, on April 13, 1988, Mr. Mayer responds to Mr. Richard Dawson of Cargill Limited in a very similar, familiar tone:

Dear Dick: Thank you for your letter of the 29th of February, 1988, concerning the marketing of oats.

He goes on to talk about some people may be a bit concerned about the erosion of the authority of the Canadian Wheat Board and its marketing power. He goes on to talk about race horses needing the oats and other comments with regard to grain firms being able to export directly, and signs it Charles Mayer.

Another article brings closer together the association between the Conservative Party and Cargill Grain. This is one that appeared in The Western Producer last year, Mr. Chairman, or Mr. Speaker, and its headline:

Ottawa. A government memo says that Cargill Grain Limited executives and senior Agriculture Canada officials think alike on the issue of how to change Canadian farm policy.

Suggesting that Cargill official seniors and Agriculture Canada officials think alike. Goes on to state:

The internal agricultural department memo circulated over the signature of deputy agricultural minister Jean-Jacques Noreau also indicates the government is considering options to present to the present system of sending the Crow benefits subsidiaries to the railways.

Goes on a little further. It was written after Cargill presented a brief last winter outlining its view on the type of farm policy Canada should have. This is Cargill's view. Quote:

The principles for agricultural policy reform presented in Cargill's brief are consistent with the government policy direction.

So Cargill is right on line with the federal government's policy. And it says as follows:

As it has said publicly, Cargill argued that the Crow benefit subsidy should be paid to farmers rather than to the railways.

I want to refer to a recent study that I've got a clipping about out of the Star-Phoenix on April 11, 1990: "Farmers would lose if paid Crow benefit directly: study." That's Canadian Press, Winnipeg.

Manitoba farmers and grain handlers at the Lakehead and along the St. Lawrence Seaway could be big losers, if the Crow benefit is paid to farmers instead of the railways, a study released Tuesday suggests.

This particular study, Mr. Deputy Speaker, was prepared for the Manitoba government by Deloitte & Touche, warns that the current system of government of pooling grain must be considered before changes are made to the grain transportation subsidy known as the Crow benefit.

So we see where Cargill's position is. It lines up exactly with the federal government, the Tory government.

A study commissioned by the Government of Manitoba recently released shows that the farmers would not be the beneficiaries, nor would the working people, of paying the Crow benefit directly to the farmers rather than to the railways.

"The farmers would be the big losers", reads the headline in the Leader-Post on June 29, '89. The Saskatchewan Wheat Pool report indicated as follows:

That the benefits claimed by the proponents of changing the way the \$700 million subsidy is paid are tiny, but the losses would be very large (very large.)

What is the mysterious connection between Cargill and this government and the Tory government? Well quite simply it's this, Mr. Deputy Speaker. Cargill company received, in the period from '82 to '88, a period of six years, received \$77,717.18 from Cargill. The PC government received that -- 77,717, plus another \$5,000 from Mr. Kerry Hawkins who is the president of Cargill. Another \$5,000 on top of the \$77,000.

So if this government has to make a change in agricultural policy, all it has to do, Mr. Deputy Speaker, is to roll over in bed and give Cargill a nudge, because they're right there in bed with them.

It doesn't require a resolution in this House. This is window-dressing by this government, just window-dressing. All they need to do is roll over in bed and give Cargill a nudge and maybe they'll get a change.

Well, Mr. Chairman, the Minister of Highways and Transportation stands up and he wrings his hands in the legislature and he wrings his hands for the media. But the Minister of Highways and Transportation in Saskatchewan

doesn't need to try to impress us with that farcical stand in this House or before the media. All the Minister of Highways and Transportation has to do is to roll over in bed, roll over in bed and give the CPR (Canadian Pacific Railway) a nudge, because they're right there in bed with the Minister of Highways and Transportation.

In 1988, Mr. Deputy Speaker, Canadian Pacific gave \$74,300 to that party, to that party. So the Minister of Highways doesn't need to try and impress us by encouraging me to get up and debate this farcical motion which he puts forward to cover up the real relationship between him and the CPR. He just needs to roll over in bed and give CPR a little poke with his elbow and say, try and get us out of this political mess. You know, we need a little more than your \$73,000 a year. We need a little help from you.

And to say in this resolution that the lending institutions need to be influenced by this resolution is another farce by this Tory party. Who are the lending institutions in this country? Well there's the Bank of Montreal in 1988 got \$80,000 from . . . to the Conservative Party, give 80,000 to the Conservative Party. The Bank of Nova Scotia give \$80,000 to that party in 1988. The Toronto Dominion Bank give \$86,067 to that party in 1988.

All these people got to do is roll over in bed and give the Bank of Montreal, the Bank of Nova Scotia, and the Toronto Dominion Bank a little nudge with their elbow and say, give us a little help. You know, for sentimental reasons, at least try to keep us in power one more term. But they don't even want to exercise that power. They want to grandstand on a resolution that's been on the order paper for 40 days and pretend -- pretend -- that it's an emergency just come up.

Mr. Speaker, we've been trying to get this government to do something on interest rates. We've been trying to get this government to do other things with regard to agriculture in Saskatchewan on emergency motions such as this one. It's automatic: we get shouted down. We do not get unanimous consent.

Today we have given unanimous consent to this government to try to get them out in the open, to expose it to the voters of Saskatchewan and the duplicity of the stand they take. We want something done on these resolutions. We want them to act.

Some Hon. Members: mHear, hear!

Mr. Brockelbank: -- Mr. Deputy Speaker, I will quite gladly support this amendment to this resolution, which gives it added power which we need. We need that message to go to Ottawa. And I thank the Minister of Highways and Transportation for inviting me to take a small part in this debate. It's been my pleasure.

Some Hon. Members: mHear, hear!

Mr. Hopfner: -- Thank you, Mr. Speaker. Mr. Speaker, I just wanted to take some time in presenting my view and the view of my constituents to this

particular motion.

I know that over some several years now that farming has been on the mainstream of the conversations of everyone in Saskatchewan. And I want to say today that there has been a severe blow given to agriculture in the subsequent announcements that we've had made privy to us earlier today.

I want to say, Mr. Speaker, that I am not particularly interested by any means about playing politics with what is happening to the farmers out in rural Saskatchewan. I want to indicate to you, sir, that there is a real seriousness here and it's not a time to play cute politics. It's a time, Mr. Speaker, to join together from this Assembly and send a very strong message to the federal Tory government in Ottawa.

I want to say, Mr. Speaker, to you and to all people that it has been indeed a pleasure of mine to serve with such a Premier as we've got in this province, due to the fact, sir, that our Premier, the Premier of Saskatchewan, has brought agriculture to the forefront, has brought agriculture to the forefront on many occasions as far as first ministers' conferences are concerned here in Canada.

I'll say this much to you, sir, that is every agricultural minister from any other province in Canada here has allowed our Premier to take the leadership in bringing agriculture to the forefront in this nation. And I want to say that those agricultural ministers from all other provinces across Canada have indeed been thankful for us having such a leader as we do in our Premier here in Saskatchewan as far as agriculture is concerned.

I want to say to you, sir, that when we've heard about the plummeting prices in grain, it was our Premier that had come to our caucus with this saddened report and has indicated that it's time we send a message to Ottawa. And we would do that by using the rule 39 in this Assembly that the member from Saskatoon was referring to. He says that this motion 39 is similar to the one that's been on the books earlier. Well so I say to you, Mr. Speaker, if there is some similarity, well so be it, because that's the seriousness of agriculture here in the province. And I am not ashamed to have this topic on the agenda every day of the week as we sit in this Assembly.

I want to indicate to you that if we were playing cute politics, then I would ask the NDP why they asked only one question regarding the issue of the price drop in grains towards the end of question period. It was not their priority then, sir, if that's the intent. They stood up in this House and asked many other questions, many other questions to gather around the smuts of politics.

I want to say to you, sir, that I see no change from the members opposite. I see no change. I can go back to the days of Allan Blakeney when he was premier of this province, and I can remember back in 1981 when interest rates were sky-rocketing to 22, 23, and 24 per cent. That's when the dilemma started to happen, sir, for farmers.

And I want to say to you that the answer Mr. Blakeney had to the

agricultural community was, well, should everyone have the right to farm? And the now Leader of the NDP, his suggestion to the dilemma of the high interest rates, well, farmers will have to try and make their payments the best they know how. That was his help to the farmers when the interest rates were 22 and 23 and 24 per cent, in interest rates back in 1981-82. And I say to you, was that fair?

(1645)

But enough of that, sir. I will say this. We are almost in that same dilemma with high interest and we are almost in that same situation. But I want to congratulate my Premier, the Premier of this province, for bringing it to the forefront and saying something has to be done. Something has to be done with high interest rates. Something has to be done to fight the subsidy wars with the United States and the EEC. Something has to be done, and we can't do it with the Saskatchewan coffers. We must do it with all Canadians coming together to fight this war.

And I want to say to you, sir, I beg the opposition members to support this motion. I want to say to the opposition members to quit the cute politics and let's get back and do what is more meaningful and what is meant for the good and the meaningful meaning of this motion for the best of the farming community.

I want to say, Mr. Speaker, that when we look at what is happening in Canada today, it's a real shame.

An Hon. Member: -- Hear, hear, Tory government.

Mr. Hopfner: -- It's a shame . . . Well yes, the NDP opposition, the House Leader says, hear, hear, hear, it's a Tory government. Yes, sir, I am not happy with the Tory government in Ottawa at this point in time. I am not happy with the way they're not listening to western Canada and western Canadian needs.

And I will stand in this place . . . I've been heard in my riding on many occasions voicing that same concern. I would tend to say, sir, that I can go anywhere in my riding and bring forth the situation. Because I am a Tory Conservative here in Saskatchewan does not mean for any one moment, and I'll say this to the NDP House Leader, that I have to stand back and watch my farm communities and my farmers suffer because of the national policies of the federal Tory government. And I say, as many of my other colleagues have said, the same thing.

I want to say to you, Mr. Speaker, that it is the wish of the NDP opposition that want to convince the Saskatchewan people and the farmers out here in Saskatchewan, a Tory is a Tory is a Tory is a Tory. Well I'll tell you something, Mr. Speaker, I'm proud to be Tory; I'm proud to be under the leadership of Premier Grant . . . the Premier of the province.

And I want to say that I do not condone the Mulroney policies that are coming out here and affecting the demise of agriculture in rural Saskatchewan, which has the greatest spin-off for business right throughout

this province. Jobs and everything else are affected by the types of policies in agriculture.

I want to indicate that the NDP for some time now have not been able to get on an agricultural policy here in this province. And I'll tell you why: because there isn't any one of those across the way that farm. There isn't any one across the way that even understand farming. They cannot I would say, Mr. Speaker, that I would tend to think that they could carry on more than a five-minute conversation with a farmer in relating to agriculture and agricultural policies.

I want to say to you, sir, that if there was some sincerity across the way they would not have tried to amend the motion. Because, Mr. Speaker, their amendments . . . they have seven points on their amendments and all seven points, or six of the seven points, are basically what we're saying in our motion. I'll tell you what the only one that does not agree with our motion is, and that's by maintaining the two-price wheat system and orderly market.

Well, Mr. Speaker, I will tell you, by this amendment, by just that number six point on the amendment, that they're condoning all the benefit to Ontario, because the two-price system, as everybody knows in western Canada, has only benefitted Ontario. Who are they trying to kid? Who are they trying to kid? That's what I say to you, sir. They do not understand agriculture on such a mere point like that.

I can't understand why they'd even try to implement it, but I'll say to you . . . (inaudible interjection) . . . And members from Saskatoon, they say that's false. Well you ask any farmer. I beg you to ask any farmer out there. They'll tell you about the two-price wheat system and then you'll get an education. You know you may be a lawyer, you may be a lawyer and represent banks here in this province against farmers, but I want to say to you . . .

The Speaker: -- I think the noise level is getting a few octaves high. I'd like to ask for your co-operation in allowing the member to continue his remarks.

Mr. Hopfner: -- Thank you, Mr. Speaker. I know that they might be a little touchy . . .

The Speaker: -- Order, order. Let's just leave it at that and continue with your remarks.

Mr. Hopfner: -- Thank you, Mr. Speaker. Anyway, Mr. Speaker, not to take too much longer, I would just like to say that in the indications that I get from the farmers out in my riding and the small rural business people in the communities that I represent, I know, I know, sir, that this is a very piece of shocking news that they've received today.

And I know, and I know that this is going to have a dramatic effect on the type of optimism that they were beginning to see through at least some moisture coming to us in the last little while. I know that the moisture

conditions throughout this province have been rather in a more positive matter and the farmers were looking optimistically to possibly being able to get out onto their fields and seed their crops and look for some better prices.

But with news like this, we definitely have to plead to the federal administration, the federal government for help, and serious help. And I agree with the opposition members when they asked for that contingency fund and they asked for an immediate injection of 900 million. And I want to say that the members of the opposition have basically wrote the amendment according to our motion, and I'm glad to see that they're not far off from our original motion and I know that they're going to support the motion.

I think it's indeed important that there is that unification in this Assembly. I think that is the way to send a strong message to Ottawa and to get some attention, and I would hope that the media would also spend some time in helping us relay this pressure onto the federal administration. I think media here in western Canada can play a big role in sending a strong message from Saskatchewan to Ottawa and help maintain some needed support in agriculture.

I want to say that instead of playing the neutrality role, they've got a unanimous, and I'm sure they're going to have a unanimous consent from this Assembly, and they can send that strong motion as we did earlier.

I want to say that we've had many, many programs provincially. And I'm sure members opposite and many of their friends have taken advantage of our programs over the years, and in fact some of them have taken advantage of them personally.

And I would say to you that our coffers have come to the aid many, many times for agriculture here in the province. And I know that it's just getting to be fairly stressful because we cannot tax people when the people don't have any more to be taxed and to be able to give back to the areas.

So these are the dilemmas that this administration faces by trying to fight subsidy wars and to fight high interest rates and to fight the terrible injustice that is done here in western Canada.

I want to indicate as well that as the NDP have talked here today, they indicated that there was no help as far as interest rates were concerned. But I want to suggest that the help from this government as far as farm homes and farm communities are concerned, that the home protection interest rate of ten and three quarter per cent has indeed been a significant help here in Saskatchewan.

If we look right across Canada and we look at the 2 and \$300 more on a mortgage that it's meant for other people that live in other provinces, I want to indicate to you, sir, today with the high interest rates and everything else, that this is quite a significant help and it does make Saskatchewan quite a much better place to live.

I want to indicate to you, sir, that I cannot support the amendment. But I

definitely am proud to stand in my place here today and I thank you for the time to be able to support the main motion. Thank you, Mr. Speaker.

Some Hon. Members: mHear, hear!

The division bells rang from 4:56 p.m. until 5:05 p.m.

Amendment negatived on the following recorded division.

Yeas

Prebble	Atkinson t
Rolfes	Anguish t
Lingenfelter	Goulet t
Tchorzewski	Hagel t
Koskie	Pringle t
Brockelbank	Lautermilch t
Mitchell	Van Mulligen t
Kowalsky	Koenker t

-- 16 R

Nays

Devine	Klein t
Muller	Berntson t
Schmidt	Pickering t
McLeod	Toth t
Smith	Duncan t
Lane	Petersen t
Hepworth	McLaren t
Hardy	Baker t
Kopelchuk	Swan t
Martens	Muirhead t
Meiklejohn	Johnson t
Martin	Gleim t
Hopfner	Britton t
Swenson	Gardner t
Neudorf	Saxinger t
Gerich t	

-- 31 R

Motion agreed to on the following recorded division.

Yeas

Devine	Baker t
Muller	Swan t
Schmidt	Muirhead t
McLeod	Johnson t
Smith	Gleim t
Lane	Britton t
Hepworth	Gardner t
Hardy	Saxinger t
Kopelchuk	Prebble t
Martens	Rolfes t

Meiklejohn
Martin
Hopfner
Swenson
Neudorf
Gerich
Klein
Berntson
Pickering
Toth
Duncan
D Petersen
Wolfe
McLaren
-- 48 R

Lingenfelter t
Tchorzewski t
Koskie t
Brockelbank t
Mitchell t
Kowalsky t
Atkinson t
Anguish t
Goulet t
Hagel t
Pringle t
Lautermilch t
Van Mulligen t
Koenker t

Nays

-- 00 R
The Assembly adjourned at 5:07 p.m.