

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### READING AND RECEIVING PETITIONS

**Clerk:** — According to order, and under rule 11(7), I find the following petition in order and lay it upon the Table. The prayer of the petition is as follows:

Of certain residents of the province of Saskatchewan praying that the Legislative Assembly may be pleased to urge and call upon the Governor in Council and the Government of Canada to allow the appeal against CTC (Canadian Transport Commission) order, and to have that order changed in accordance with the wishes of the people of Killdeer and district.

### INTRODUCTION OF GUESTS

**Mr. Van Mulligen:** — Thank you, Mr. Speaker. It's my pleasure to introduce to you, and through you to the members of the Assembly, 25 grade 8 students from Thompson School, located in my constituency. They are accompanied by teachers Randy Glettler and Estelle Anthony.

I look forward to meeting with them after the question period to try to answer any questions that they may have for me, and I would ask that you and members of the Assembly join with me in welcoming them here today. Thank you.

**Hon. Members:** — Hear, hear!

**Mr. Saxinger:** — Thank you, Mr. Speaker. I'd like to introduce to you, and through you to the members of this Assembly, some guests seated at your gallery. We have Christina Massey. I met her the first time last fall when I was in my economic development trip to Germany. I met her in the Anuga, the world's biggest food fair.

Also we have Tom Taylor who's got Taylor Honey Farm, from Nipawin. I also met him in this Anuga, in Koln at this food fair for the first time. It was the time when everybody was giving honey away in Nipawin when I left. But Tom took the initiative and went to Europe, spent some money, and promoted honey.

Last but not least, we have Mr. And Mrs. Keller from La Ronge. I promoted their products, blueberry and cranberry, in Europe. And they also are processing mushrooms.

So would you please help me welcome these people to this Assembly.

**Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. It's my real honour to introduce a large group of students here from two schools in my constituency, totalling 117 students,

who are here today.

First of all, let me bring to the attention of the House a group of students who are seated in the east gallery, numbering 65 grades 7 and 8 students from Judge Bryant School. They're accompanied by Wayne Wilson, Nancy Morrell, and Al Chase, who is their vice-principal.

This school, Judge Bryant, has each and every year a model legislature which I think, Mr. Speaker, all members of this House, if they could, would learn a great deal from. I want to commend them on it, and I look forward to going to that again this year.

And in the Speaker's gallery, Mr. Speaker, there is a group of 52 students from grades 4 and 7 from what I like to refer to as my school, because that's the school I taught in, St. Theresa School. They're accompanied by their teachers, Audrey Bruch and Darrell Baumgartner.

I've already met with some of the students for pictures — with the students from Judge Bryant. They can't stay after question period because they have other things to do. But I will be meeting with the St. Theresa students afterwards for a discussion of the legislature and the question period.

**Hon. Members:** — Hear, hear!

**Mr. Van Mulligen:** — Mr. Speaker, it's just been pointed out to me that we have a special guest in the west gallery, Mr. John Gruell of Caron. I think Mr. Gruell is known to most members of the Assembly — he's the retired civil servant who's been maintaining a lonely vigil outside the Assembly. And I think we should make him feel welcome here today.

**Hon. Members:** — Hear, hear!

## ORAL QUESTIONS

### Salary Increases to Ministerial Assistants

**Mr. Tchorzewski:** — Mr. Speaker, I have a question to the Acting Premier, Mr. Minister, your government has imposed a two-year wage freeze on the salaries of public servants; you have provided an increase of 25 cents on the minimum wage in the last six years; you have destroyed the children's dental program in Saskatchewan; you've frozen, or you've cut back, the funding for school boards and municipalities in the province. In light of that restraint policy, Mr. Minister, and in light of your unconscionable increases in the taxes imposed on Saskatchewan families in this budget, how can you explain why a number of political staff to cabinet ministers last month received salary increases of 15 per cent?

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

**Hon. Mr. Berntson:** — Mr. Speaker, two points: number one, I don't accept a great deal of what he said; number two, the Premier took notice of that question of the same minister last week and I see that it's still. . .

**An Hon. Member:** — Member.

**Hon. Mr. Berntson:** — . . . or that member last week, and I see that it's still the most urgent and compelling issue of the day. The Premier did take notice, and I don't accept for a moment, Mr. Speaker, that there were 15 per cent increases. The Premier will be back tomorrow and I fully expect that he will answer the questions at that time, Mr. Speaker.

**Mr. Tchorzewski:** — Mr. Speaker, I say to the minister opposite that 15 per cent increases for political assistants in ministers' offices when this government cuts back the children's dental program is an urgent and important issue.

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

**Mr. Tchorzewski:** — A new question. Mr. Minister, what you have just said here today is a bunch of bureaucratic nonsense which is something that you can't use to hide what the facts are and that is that you've had salary increases for your staffs in your offices of 15 per cent and, in fact, in some cases 22 per cent. The only difference that is happening here is that you're calling it by some other name. How can you justify that kind of an increase to those ministerial assistants when you're telling people who are working on minimum wage that in six years they can have a grand increase of 25 per cent and you can tell school boards . . .

**An Hon. Member:** — Twenty-five cents.

**Mr. Tchorzewski:** — Twenty-five cents during that period of time, and you can tell school boards that in some cases you're cutting their grants back by \$700,000 this year. How can you justify that?

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

**Hon. Mr. Berntson:** — I'm sorry, Mr. Speaker, I caught my coat on the key to my desk and it kind of caused me to trip.

Mr. Speaker, I think the hon. member is, number one, over-reacting a little when he says that I responded to his first question with a bunch of bureaucratic and political rhetoric. In fact, I said I'd take notice and I don't think I said much beyond that. And the hon. member, of course, I think, can't be excused for that because he knows what rhetoric is because in his second question he gave us a pretty good demonstration of what that's all about.

Having said that, Mr. Speaker, he talked about ministerial assistants getting 15 and, in some cases, 22 per cent increases, or raises in salary, he says. I think that's what he said. I don't accept that, not for a moment, and if it's true I would be very upset.

There is from time to time a ministerial assistant . . . there is from time to time a ministerial assistant that will get a promotion, Mr. Speaker. The promotion . . . (inaudible interjection) . . . and so does the civil service, Mr. Speaker. If someone is moving from a director to an assistant deputy, or from an assistant deputy to an associate deputy or to a deputy, promotions are something different from just normal increases in the same category, Mr. Speaker.

And as I said earlier, and as the Premier said last week, he will take notice of that question, provide him with the answers that he's asked for, and perhaps, Mr. Speaker, there should be an explanation of the rules to the members opposite because when the question . . .

**Mr. Speaker:** — Order. Order. Order. Order. The minister, of course, fully realizes, being an experienced minister, that he shouldn't give a long, relatively long answer and then indicate at the end he's taking notice of the question.

**Mr. Tchorzewski:** — New question, Mr. Speaker, to the same minister. I have here a pile of orders in councils which provided those increases, Mr. Minister, that I'm asking you about.

I also have here a letter signed by your Minister of Finance which shows the kind of double standard that you're applying here, and it's a letter which your provincial government has sent to pensioners in this province, people who were former public servants, and here is what the Minister of Finance says to their request for an increase in their pensions to keep up with the cost of living. He said:

There is not only a desire but a critical need for government to get by with less. This reality, as unpleasant though it is, is affecting everyone.

Mr. Minister, how is it that this standard applies to senior citizens living on low pensions, but it does not apply to cabinet ministers and political staffs in their cabinet offices? How can you justify this kind of large increase for your political staff while you provide these kinds of backhanded answers to the people on pensions in this province?

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

**Hon. Mr. Berntson:** — Mr. Speaker, teachers get increments — he should know that; professors get increments; civil servants get increments; ministerial assistants, I think, can get increments; members of the media may even get increments — some of them shake their heads; I heard them.

As it relates to pensioners, Mr. Speaker — and I'm sorry that the hon. member chooses to muddy the waters by mixing the issues — but as it relates to pensioners, Mr. Speaker, our Minister of Social Services has many, many times in this House talked about the kinds of support that this government has offered for pensioners, and it is second to none in Canada, Mr. Speaker.

He's talking about a specific pension and a specific issue, and I'd be happy to have the Minister of Finance take that up — he's unfortunately not here today. But, Mr. Speaker, it's unfortunate that the hon. member chooses to muddy the waters with this narrow, specific issue, and take the broad brush to the whole sector.

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

**Mr. Tchorzewski:** — Mr. Speaker, the minister may want to make light of this . . . my new question, I address a new

question. The minister may want to make light of this, but this is a shameful double standard that this government is applying on the people of Saskatchewan.

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

**Mr. Tchorzewski:** — These documents show, Mr. Speaker, that the ministerial assistants who were reclassified, so-called reclassified, are still working for the same cabinet ministers and are still the same ministerial assistants, writing the same letters that they wrote before this massive increase of 15 to 22 per cent.

Mr. Minister, will you answer this question which you have yet not addressed: how can you justify that kind of increase to your political assistants in your offices, when you can't provide even a minimal increase for people who are on pensions and have requested at least an increase with the cost of living, which is a lot less than what you're giving your political hacks?

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

**Hon. Mr. Berntson:** — At the risk, Mr. Speaker, of upsetting those in the opposition party that happen to be schoolteachers, I think some of them may have been around long enough to get an incremental increase or go to the next category, or whatever, and in the same school, without leaving the school, Mr. Speaker; they would be in the same school; they would go into the next level of pay, or whatever, and so he's . . . I mean, he's just not coming clean at all on the issue.

As it relates to the support that we give pensioners, Mr. Speaker, I'd like to point out that very recently the Premier communicated to all seniors in this province that they would soon be receiving their heritage program support from this government, depending on whether they are single, or a married couple, or whatever. It would be \$500 in one instance, \$700 in the other instance. And the only thing you have to do to qualify, Mr. Speaker, is to be a senior. Tell me, Mr. Speaker, if that is support for our seniors or not.

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

#### **Deposits for Application to SIAST**

**Ms. Atkinson:** — My question is to the Minister of Education. The acting principal at Saskatoon's Kelsey Institute has confirmed that your department ran newspaper ads on March 26 in Saskatoon urging students to apply for a number of fall courses at Kelsey. Many of those classes already had five to six times the number of applications on hand as compared to the spaces available.

Knowing that, Mr. Minister, your government still charged those students a \$25 non-refundable application fee to apply for courses that they had no hope of getting into.

Mr. Minister, will you see to it that those students are refunded that \$25 application fee, and will you guarantee that in the future when your department runs newspaper ads that students will be advised of the number of spaces

in courses, and will they also be advised the number of applicants ahead of the

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

**Hon. Mr. Hepworth:** — Well in those instances, Mr. Speaker, where a course is taking 20 students, the question the hon. member is asking is: should you cut off applications after 50 or after 100? And if you've cut it off after 100, that 101st person might indeed be the person who has the highest qualifications and indeed should be one that gets one of the spaces. And that's the point that has been forgotten by the hon. member. It's not first come, first serve, that you just take the first 20 who put their application in. They're judged on merit, Mr. Speaker.

It was no different than when I was going to college. I think there was 31 spaces, 400 applications. They judged the applications and admitted the 31 students they thought most qualified, Mr. Speaker. So that's a point that has been consistently overlooked by the hon. member.

Now the second question is: should you refund the \$25 fee? The \$25 fee, like at other institutions, is a processing fee. It does cost something to run the computers and do the administration, Mr. Speaker, and indeed it's a service to the students as well as to the institution. Now one could . . . certainly one could refund it, but in many instances those students are going to want to apply for another course in the event that they do not get into that particular course. And if they do apply for another course in that calendar year, there is no additional \$25 fee required. So I think that's fair, Mr. Speaker.

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

**Ms. Atkinson:** — I'd just like to remind the minister that when he went to school there wasn't a \$25 non-refundable application fee . . .

**Mr. Speaker:** — Order. Order. Order. New question or supplementary?

**Ms. Atkinson:** — New question, Mr. Minister, the acting principal at Kelsey institute, Mr. Larry Dinter, agreed that this ad was unfair to students who put down their \$25 application fee. Mr. Dinter told reporters, and I quote:

Perhaps students should know how many applicants they will have to compete against before they commit their \$25 fee. I think our approach has to be reviewed in the future.

Mr. Minister, on behalf of students who were charged this \$25 non-refundable fee, a rip-off of Saskatchewan students, will you refund that \$25 fee, and will you change your advertising policy so that students won't be ripped off in the future?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, I want to talk about the double standard that the NDP are showing. Last week in this House they said, whatever you do, don't interfere with the autonomy of the university and legislate the

professors back to work. Don't interfere with their local autonomy; that's the decision of the university. You stay out of it; do not interfere. And they criticized me roundly for interfering.

Today they say, you should usurp the powers of a local board and make a decision on a \$25 fee. Don't leave it to the board; interfere, Mr. Speaker. Now you can't have it both ways. On the one hand they say, don't interfere on an issue of some fair magnitude, and today they say, interfere on a \$25 fee.

These decisions are made by the new, autonomous Saskatchewan Institute of Applied Science and Technology. And I'll tell you what: your rhetoric is hollow because I asked the students of this province. Where were you when they couldn't get their exams because of striking professors? Where were you?

**Mr. Speaker:** — Order. Order.

**Ms. Atkinson:** — Supplementary. I notice that the minister is a little upset. I notice that, but, Mr. Minister, the buck stops with you.

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

**Ms. Atkinson:** — And if I was charging students a \$25 non-refundable fee, I'd be upset too.

Now, Mr. Minister, you haven't answered the question: will you or will you not refund the \$25 non-refundable fee that students have paid to get into courses that have five to six times the number of applications per spaces? Will you do that?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, in so asking, is the hon. member also prepared to have me instruct the universities to stop charging the same kinds of fees? The argument that they would like to put forward is a question of fairness. Well, is it fair to do it in one institute that has its own board of governors and yet not in another?

I'll offer up another example of maybe that some would say is unfairness. The hon. member would suggest that the government isn't supporting the students with this onerous \$25 fee. The reality is, Mr. Speaker, the cost of educating a student at a technical institute of this province, the government . . . the taxpayers of this province pick up approximately 95 per cent of the total cost. And we're proud to do that, Mr. Speaker — 95 per cent of the total cost. And they're suggesting that asking the students to pick up 5 per cent of the total cost, plus 25, is somehow unfair.

**Mr. Speaker:** — Order.

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

### Legislation on Canned Beverages

**Mr. Calvert:** — Mr. Speaker, my question is to the Minister of the Environment, and it concerns the state of confusion that he and his government have created in this

province over the introduction of the sale of canned beverages. The confusion has extended to retailers, to consumers, to producers, and the latest example of it has to do with the fund-raising efforts being now undertaken by the Saskatchewan Roughriders.

Mr. Minister, my question is simply this: when does your government plan to introduce the legislation legalizing the sale of canned beverages, and have you finalized a deposit, return, and recycling process to ensure that these cans will be recycled and not become litter on the landscape of Saskatchewan?

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

**Hon. Mr. Swan:** — Let me reply to the hon. member simply by saying that we are working very carefully on that particular issue. There is really no confusion. There are opportunists in the market-place who would like to take advantage of a situation and step in before the program is finalized.

When we're finished making our plans, we will announce it to the public. I hope that it'll be in the near future. I can't give you a date at this point in time, but there is no confusion.

**Mr. Calvert:** — Mr. Speaker, supplementary, Mr. Minister, will you assure this House that canned beverages will not be for sale in this province until a process of deposit and return and recycling is in place?

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

**Hon. Mr. Swan:** — Mr. Speaker, that would be a little bit difficult to do. I think if the hon. member would come out of his cloistered home and take a look around, what's happening in the province, you might see that there are canned soft drinks in many of the stores today. Now they're not legal, and I've told you in this House many times that they're there and that they're not legal, but we've had them. Something like three and one-half million cans were sold in Saskatchewan in the last year.

So what we are doing is putting in place a program that will handle that situation, but make the situation legal and allow the sale of canned soft drinks and canned beer across our province. Until we have that recycling system in place, we will not be opening up the sale of the canned soft drinks or beer. So that's the problem.

**Mr. Calvert:** — Mr. Speaker, I submit the problem is over here. Mr. Speaker, then a further supplementary, Mr. Speaker.

Mr. Minister, can you tell me today, will there be a deposit on aluminum cans, and will you tell us who the collection agency will be? Are those plans finalized as of today?

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

**Hon. Mr. Swan:** — Mr. Speaker, I told the hon. member in answer to his first question that we're working to put a plan in place. And when the plan is ready, I will be pleased to announce it to the hon. member. I'm not ready

to announce it today.

**Mr. Calvert:** — Mr. Speaker, new question to the same minister. We've had an example here today of the incompetence of this government.

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

**Mr. Calvert:** — Mr. Minister, one of the very serious concerns among Saskatchewan people about the shift to canned beverages is the threat which this shift poses to Saskatchewan jobs. Mr. Minister, can you tell us what specific steps your government is taking to protect the jobs of Saskatchewan people in the bottling industry, and can you give us an assurance that no Saskatchewan jobs will be lost because of this change?

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

**Hon. Mr. Swan:** — Mr. Speaker, the hon. member asks for assurances that there will be no job loss. Indeed, as the recycling goes ahead, I can't guarantee that the people will have the same jobs, but there may indeed be more jobs, and that's the part that I think the member should be looking at is the job creation part of the new program when it comes into place.

#### Funding for Cumberland House Program

**Mr. Goulet:** — Mr. Speaker, in the absence of the Minister of Social Services, my question is to the Deputy Premier. The mayor of Cumberland House has been told by the chief of staff to your colleague, the Minister of Social Services, that his community will not be receiving any new funds from that department until Cumberland House has settled its long-standing lawsuit with SPC (Saskatchewan Power Corporation).

Can the Deputy Premier tell us if this is in fact government policy? Is your government trying to force and intimidate Cumberland House into abandoning its case with SPC by withholding government assistance from the Social Services department?

**Hon. Mr. Berntson:** — No, Mr. Speaker. It's ludicrous to even make such a suggestion. What you're doing is talking about a \$200 million lawsuit that has been around for about 20 years, and compare that, Mr. Speaker, to my guess would be quite small sums of money in the program help that they've been asking for.

I can't comment for or about the chief of staff of that minister. I know nothing of what he might have said. I know that from time to time I have talked, Mr. Speaker, with the mayor of Cumberland House.

We, a couple of years ago, Mr. Speaker, offered a mediation process to resolve the difficulties that existed in that community. Mediation hasn't proven to be successful to date. We are currently looking at another process, Mr. Speaker, that I hope to have an announcement on very soon that we are hopeful will go some way towards resolving these differences, Mr. Speaker.

**Mr. Goulet:** — Mr. Speaker, another question, Mr.

Minister, this is not the first time Cumberland House has been denied assistance. They've tried to get a curling rink project going, a local museum built. They've tried to get a similar project such . . . we're working on a golf course such as La Ronge received, and Par Industries in the area of wood-cutting operations, and so on.

Why is it that your government is being so unfair and putting pressure on it, and what are you going to do to work with the minister to indeed rectify this ludicrous situation, as you put it?

**Hon. Mr. Berntson:** — Mr. Speaker, I'm not familiar with all of the things he's talking about, but I do know that Cumberland House in recent history has received some support for a major investment in a water treatment system. And I don't remember, but I think it was somewhere around a million dollars went into that water treatment system. And Cumberland House isn't ignored in the scheme of things.

We have lots of communities in the province with lots and lots of demands, and not all of them can be met, Mr. Speaker, today or tomorrow. It takes time and, Mr. Speaker, as it relates to the community of Cumberland House, I have taken a rather personal interest in what goes on up there, and I fully expect that the next process that we can agree to resolving some of the matters, and I hope to have an announcement on that quite soon, Mr. Speaker.

#### ORDERS OF THE DAY

##### MOTIONS

#### Resolution No. 3 — Financial Problems of Farmers and Proposed Solutions

**Mr. Koskie:** — Mr. Speaker, at the close of my remarks I will be moving a motion which I think addresses one of the key problems here in Saskatchewan, and in essence it will read:

That this Assembly regrets the failure of the present Saskatchewan government to develop effective programs to deal with the farm debt crisis and for its equity financing proposal which does not address the heart of the problem of farm indebtedness.

I want to say, Mr. Speaker, that that farm debt crisis is undoubtedly the greatest problem facing Saskatchewan today. And let us take a look at some of the details, at the nature of that problem.

There's no doubt that the government identified this as a major problem, and certainly back in his budget address in '87-88 the Minister of Finance at that time indicated that he recognized that there was a debt crisis. And he said, on page 9 of the previous budget, this, Mr. Speaker.

Farm debt in Saskatchewan is now estimated to be over \$5 billion. It is a serious problem that requires a response.

That was not this year, not this spring, but that was a year

ago. And I want to say that the problem has increased in its magnitude, and the Government of Saskatchewan has done virtually nothing.

Indeed, the nature of the problem is illustrated in the recent report by a MLA committee report on farm finance for the future. And I want to go through the nature of the magnitude of the problem, the debt crisis. And they quote a source which was brought to the attention of the legislature some time ago that says:

The recent Angus Reid opinion poll indicated that over one-quarter of Saskatchewan farmers do not believe that they will be in agriculture three years from now. Many of the farmers are leaving the industry or will be forced out. The Farm Credit Corporation estimates are insolvent, while an additional 28 per cent are having considerable cash flow difficulty.

That indicates some of the extent of the problem of the debt crisis. The Farm Credit Corporation in its statistics are indicating that we are on the verge of losing 40 per cent of our farmers — 11 per cent insolvent, 28 per cent in serious financial trouble.

And what did this government do in its throne speech? In the throne speech the government indicated again that debt, farm debt, was of crisis proportion. And before they . . . and they indicated in the throne speech no solution, no way of dealing with this crisis. All they had to say is, to the people of Saskatchewan, is that hard times come and hard times pass. People will learn to live with adversity. That was their solution.

So we waited and we thought that in the budget, in the recent budget, the '88-89 budget, that the Minister of Finance would indeed address this major crisis, which he identified in '87-88, and which he reidentified in the throne speech. But before he brought down the budget, he went out and he said to the public — before we even had the budget brought into this House, the Minister of Finance on March 26, I believe it was, indicated this: he said, don't expect much from the standpoint of agriculture; we may have some rearranging of the programs. That's what he said.

And he went on to say that the debt crisis which faces Saskatchewan farmers today, he said, is far too big for the provincial treasury to approach or to rectify. And I ask you, Mr. Speaker, that's probably true, but only because of the management on the other side.

I say to the members opposite, when you threw out this year in your budget a \$35 million tax decrease for the big corporations, that was your priority, it wasn't addressing the debt; when you gave to the oil companies a \$1.7 billion in royalty and tax holiday, that's why you can't address the farm crisis; when you take a million dollars in a letter from the minister of . . . then minister of Finance, to Canada Packers . . . a grant of a million dollars, well obviously your priorities are not the farmers.

When you spend here, in the last seven years, in excess of \$150 million in self-serving advertising, well obviously

you can no longer meet the crisis that looms here in Saskatchewan. You know, this government, as I've said in the past, Mr. Speaker, has no credibility and has lost all its credibility.

Just before the last election, Mr. Speaker, they ran another . . . the first road show, the first act of their road show, and they went out around this province and they indicated that they were going to look at the input costs. And they brought in a report — no help to the farmers, didn't reduce the input costs. How could they attack their friends, the chemical companies, when in fact Brian Mulroney is doing the opposite of Ottawa.

So we had this committee of MLAs running around the province and they said, we will deal with the input costs. Well that was a sham. That cost the taxpayers over a quarter of a million dollars — \$121,000 in advertising alone, and over \$120,000 for the road show itself, and all to ask the farmers of this province: what did you get out of that road show that you financed around this province, the so-called input . . . looking into the input cost to the farmers? Not a single benefit to the farmers of this province, and hundreds of thousands of dollars blown in public relations.

And today we got another report, a report of yet another road show, and this is on the *Farm Finance for the Future*, and I will guarantee you that the last year, that this government has spent close to a million dollars on public relations. They had a two- or three-day symposium here in Regina and brought in their so-called experts from across Canada to participate in dealing with the farm debt crisis, and for two days they got publicity. And then they decided that they would send . . . but more than that, they got Peat Marwick, the accounting firm, to do up a policy for them — equity financing — and I'll be dealing with that. And that would have cost thousands of dollars.

To further address this magnitude of this crisis they said: well, you were out there a couple of years ago, and you know we fooled the farmers then; we said we were addressing their input costs; we'll send another road show on, put on another road show. And off they went to address, again, the crisis in agriculture, the crisis of which we know. And they went around this province, and I'll tell you it cost hundreds of thousands of dollars for this public relations gimmick. They come back and they throw up their hands; indeed, the Finance minister, as I said, threw up his hands and he says, there is nothing we can do here in Saskatchewan.

Well let's take a look at some of the aspects of the report and the magnitude of the problem which I was indicating to you, Mr. Speaker. We find that this problem hasn't just suddenly fallen upon the farmers of Saskatchewan. Indeed, in 1980 the total amount of agricultural debt outstanding was \$3 billion. By the end of 1986 — this is the election year — there was \$5.8 billion, almost double. And that was rising from 3 to 3.4 in '81, in '82 to 3.9, '83 to 4.4, '85 to 4.9 and '86 to 5.8, and today it's over \$6 billion — \$6 billion of debt on the backs of the farmers of this province.

What were the programs that they brought in? All of this was indicated, the direction was known, that there was a

group of farmers, and mostly young farmers, that had purchased land at high prices and at a considerable interest rate, and then the drop in the commodities. And that didn't occur yesterday; it didn't occur a year ago. This was known, or should have been known by the Premier, the Minister of Agriculture, for a number of years. And did they address them? Well no, not going into the last election.

They knew that debt was there, but they decided getting elected is more important, Mr. Speaker, and so they launched a home improvement program which cost hundreds of thousands of dollars; indeed, hundreds of millions of dollars — that's what it cost trying to buy urban votes, when indeed the problem was the debt crisis. The only thing wrong with their home improvement program is the ones that needed it couldn't qualify — the poor. And they handed out grants to try to buy votes from the upper middle class and the wealthy as they put in hot baths. This is the sincerity of this government.

(1445)

And then you take a look . . . they were going into the election at '86 and they put into place a production loan program of about \$1.2 billion. Now they knew that at least that one-third of our farmers were in good shape. There's no denying that, and in fact about 50 per cent of our farmers were in pretty reasonable shape at that time.

But did this government analyse the crisis out there? Of course not. They said, what is important is to pull the wool over the farmers' eyes, put out a universal program of production loans so absolutely everybody can qualify, whether they need it or not, and that'll buy us an election, they said. Well it bought them an election, partly, although they needed another billion dollars from Brian Mulroney to bail them out, and they needed a deficit increase of \$800 million on the operating of the government during the course of that year.

Mr. Speaker, this government has absolutely failed to address the basic question that is facing farmers today. And the sad part is, Mr. Speaker, is that the ones who are in trouble, in serious trouble . . . As the Farm Credit Corporation says, 11 per cent are insolvent, another 28 per cent in serious . . . having considerable cash flow difficulty. Well we take about 60,000, or a little over 60,000 farmers, and if 40 per cent of them are in serious trouble, you can see what is looming ahead in the horizon in respect to the changing face of agriculture.

And you know what this government's solution to this here debt crisis? Well I'll tell you. What they had indicated to the farmers . . . and they paid money for outside consultants to come up with a scheme. It wasn't a scheme to look at the debt and see whether it could be restructured. It was not an open discussion with the federal government, because I don't know if they were even invited there to this symposium. It was not a looking at the problem and saying, how are we going to solve it? It is not a commitment to reject that 40 per cent of our farmers must go.

But I say that this is a basic philosophy of the party

opposite. They want big farms; they want corporate farms. And what they brought in is their scheme, this equity financing scheme, which will in fact help to assist the taking of the farms from the farmers and turning them into tenants and share-croppers for a short period of time only.

Because I'll tell you, once they set up the equity financing scheme, I can tell any farmer that's watching, once you set up the equity financing corporation and you sell shares . . . And they propose to do that on the open market with three classes of shares. That's their original program — an A, B, C type of share. And they're saying, oh the farmer, he can salvage something. He's got a little equity. He can put some into shares, and some he'll have little cash. And he can get this wonderful deal.

Well I'll ask you . . . And the farmers don't believe them, of course, because they rejected the equity financing proposition. They even had the Credit Union Central running around the province trying to sell it. And every credit union area in the province rejected it. The wheat pool rejected it. The wheat pool has rejected it. Said this report, bringing in equity financing proposal is the worst possible solution that they could think of. The wheat pool is against it. The small credit unions throughout this province reject it.

**Mr. Speaker:** — Order. The hon. member is holding up his booklet inordinately long and can be construed as an exhibit, and I would ask him to watch that.

**Mr. Koskie:** — Well thanks very much for the interference, but I'd like an interpretation on it.

**Mr. Speaker:** — Order. Order. Order. Order. Order! Order. The interpretation to the hon. member is a matter of judgement. My judgement is that if a member holds up an exhibit in such a way that it can be construed as an exhibit, then he is out of order. I'm simply bringing that to your attention. Not that you can't hold it in your hand, but you can't hold it up so it's an exhibit.

**Mr. Koskie:** — Exhibit is the word. I'm not holding it up as an exhibit. Within the report brought down by this road show, I will tell you that there were absolutely no benefits to the farmers of Saskatchewan. I'll tell you that there was nothing in this report. And can I refer to the report, Mr. Speaker, or are the members opposite ashamed of that?

You know, they say first of all that they're going to bring n some recommendations. First he said, I'm pleased to say that our government has responded by extending The Farm Land Security Act to provide legislative protection for farmers facing foreclosure. That's what they said. They brought in The Farm Land Security Act to protect the farmers.

You know what happened at the same time? During this same period of time the federal government was removing the moratorium on foreclosure, moratorium on foreclosure. And do you know what, in 1986 there was over 900 foreclosures of farm land here in Saskatchewan. Farm foreclosures across the rest of Canada decreasing, but not in Saskatchewan under Tory policy.

They stood by and they watched the federal government pull their legislation, pull the rug from under the farmers of Saskatchewan. That's what they did, Mr. Speaker, allowed them to pull the legislation which would prevent a foreclosure. And they brag here, and other instances, that what they did was to extend it so that farm foreclosure would be at least delayed.

Well I ask you, why wouldn't they have communicated with their friend Brian Mulroney? Why didn't they go and ask him to continue the moratorium on foreclosure on the farm credit debt? They never did it. Oh, but they're going to help out in another way, and I want the farmers to know this one because this is really compelling; they're going to go out and counsel them — counsel them. I'll tell you we can take a look at the record of their counselling, and not many farmers are very impressed with respect to their counselling.

Under the Farm Land Security Board cases handled, 2,251 foreclosure notices filed on 1,806 farms — almost 800 cases not handled yet. Backlog. Only 106 recommendations to the court under the Farm Land Security Board, by the Farm Land Security Board, that the farmers should not be foreclosed — 106. And this has cost the province millions of dollars, in fact, thousands of dollars for every single farm that they counsel — 106 out of 1,061 cases completed; 107 farmers wanted nothing to do with the Saskatchewan Farm Security Board, and it's little wonder; 289 recommendations favoured the lender, almost 3:1 in favour of the banks over the farmers. That's the Farm Land Security Board; that's their so-called legislation that is protecting the farmers from this crisis.

And I say, on the cost of the program last year it ended up that for servicing and counselling each farmer that the total amount per farmer was over \$12,000 for the counselling. And this year . . . budgeted for this year is a considerable amount more, and that will bring it to about 23,000 per farmer if the same number of farmers were assisted. Now that's real performance, and that's really addressing the magnitude of the crisis that is facing the farmers of Saskatchewan.

And I want to say, Mr. Speaker, that we here deal with this as the most serious problem in Saskatchewan. And we have asked the Premier on occasions, we have asked the Acting Minister of Agriculture, and each time that we raise it on a very serious basis they run off into a list, a litany of all the things they have done, without addressing the very serious problem.

And I say to the farmers and the people of Saskatchewan that we as a party are prepared to co-operate in a meaningful way in attempting to solve this major crisis. But it's difficult to deal when we get deception of the magnitude that is coming from the other side, when they bring in and . . . take a road show that costs hundreds of thousands of dollars, and bring in recommendations which are of absolutely no use to the farmers of Saskatchewan.

They say that they're going to amalgamate all of the Acts together, and that's going to help. Well it might be easier for those that are suing the farmers to find the right legislation to go after them, and it would be easier for the

banks. But I'll tell you, it won't help the farmers unless you have legislation which protects the farmers or you have programs to protect the farmers. And I'll tell you, they don't.

So the amalgamation of the debt legislation is really a facilitation for the financial institutions, their friends, so it's easier for them to know what legislation they have to comply with. But this group across the way are really, really trying though, because they've come up yet with another major thrust to deal with the debt crisis. They've set up a hot line, a hot line for the farmers — 40 per cent of the farmers — families losing their livelihood. And I'll tell you, every one of the MLAs across there from rural Saskatchewan will know examples of where people are losing their farm over debt crisis, and that this government sits on its hands and will not address it.

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

**Mr. Koskie:** — Every one of you know that you're from a rural riding. And at least I've had the courage of some to indicate to me that it is a crisis and it has to be addressed and that the government isn't doing it.

Obviously what — it is a major problem. There's over \$6 billion of debt. We don't have many choices. We have the choice of allowing the situation to deteriorate further and lose 40 per cent of our farmers and do away with the family farm and the way of life which the Premier indicates is so superior where there's no . . . there's a structure of family and all of those aspects of good qualities of life. We can choose that, to allow it to go the direction that it's going at the present time and lose 40 per cent of our farmers, or we can, in fact, do something about it.

And I say, Mr. Speaker, I believe that there is a way of doing it, and I think that the federal government should be encouraged to participate. I think the provincial government should participate, and I think financial institutions should participate. But look how meek their recommendations is when it comes to going to the federal government. It says the provincial government "should impress upon the federal government." Well can you believe a report saying that, because you know what it assumes is that the federal government is oblivious to the magnitude of the problem. We've got to impress upon the federal government. The federal government is oblivious to the major problem here in Saskatchewan.

I want to indicate, Mr. Speaker, that one of the solutions that they have recommended in their report, and the policy of the government, is in respect to equity financing. They have been rejected across the province, as I have said.

(1500)

They have been rejected by the wheat pool, who in their release indicated that this was the worst possible recommendation for the solution to the problem, and I agree with the wheat pool. The president of the wheat pool — and I quote from the Monday, April 18, the Saskatoon *Star*, where it says:



Garf Stevenson, president of the Saskatchewan Wheat Pool, said there appears to be little in the report which will directly or quickly help farmers in financial difficulty.

The pool believes equity financing offers the worst of all worlds, he said. It is almost impossible to think (he said) of a private-enterprise vehicle which would offer investors the return and control they want, while guaranteeing (the) farmers the control they need.

How could it be better said? Can you feature, you're going to turn over our farms to the investors in Bay Street in Toronto, and other capitals of the world, and the farmer's going to have control? I don't believe it; the farmers don't believe it; the wheat pool don't believe it; the credit union movement across this province didn't believe it. The only ones that want to hoist the equity financing onto the backs of the farmers are the ones sitting across the way representing the government today.

And I say, Mr. Speaker . . . but there is . . . they have looked seriously at this, and I think that it's clearly indicated that what they want, and the federal government is a partner to them. I have an article here from *The Globe and Mail*, and this is August 29, 1987, and it says: "Bullish foreigners may get piece of Prairies." They're talking about the farm lands that are owned by families today — foreigners may get a piece of the Prairies." You know how you get it? You set up an equity financing. You get desperate farmers out there that are going to be driven and foreclosed and taken everything from them, and they offer no other alternative but equity financing. And the farmers come on bended knees looking and hoping and searching for some form of assistance, because the international investors are going to own that land.

And let's see what some of the federal Tory people are saying in respect to equity financing. We've got Mr. Ralph Ashmead, research director of the federal Farm Credit Corporation — that's supposed to be an institution helping farmers — who describes Saskatchewan restrictions on ownership, that is a foreign ownership. He said, that's archaic; has spearheaded a fight for a new financing system. He is convinced that a large number of private investors are willing to become minority shareholders in the Prairie farms. A number of private investors, of quite significant magnitude, he says, have become very interested in agriculture. They see that it is at or near the bottom of the market.

And he goes on to say, Mr. Ashmead has been approached by trust companies, other investors who have access to funds — Hong Kong, Japan, other countries — they see Canada farm land as a safe investment over the next 10 to 25 years. And they are talking big money, not little money, Mr. Speaker. They are talking big money — 50 million, or 100 million or more — that's what they're . . .

And there's somebody else that's interested. Not farmers. They want to speculate. They want to get control. They want to turn out family farms into serfdom, that's what they want, and that's the group called the real estate

association.

Now wouldn't that be beautiful? Take our farms from our families who know how to productively run them, and turn them over to the real estate associations; and turn our farmers, as they say, into the worst possible share-croppers or tenants, owned by outside investors.

Well I say that is not the tradition of rural Saskatchewan and rural agriculture, Mr. Speaker. The people of Saskatchewan are close to the land. They love the land; they work it well; they bring up their families there, and I agree, it's a tremendous way of life. And we on this side stand firmly in support of the farmers, in support of the families, in support of the family farm. And I'll tell you, we're going to continue to fight and to expose this government for its inaction.

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

**Mr. Koskie:** — Mr. Speaker, I want to just review briefly a few comments that I have in respect to the equity financing that was put forward by this government under the Peat Marwick study. And it contains some pretty frightening details as to where this government asked the farmers to co-operate with, and to head for.

This here study by Peat Marwick recommends that there be a Saskatchewan farm trust company, and that the initial capitalization be between 200 and \$300 million. Government of Saskatchewan would loan and put in some operating grant, provincial Crown land in exchange for shares. FCC, Farm Credit Corporation, would throw in some of the land that they have foreclosed and take back some shares. Farmers would transfer some of their land to get rid of some of their debt, lose some of their land to the corporation, get a few shares back.

But they go on to say that there should be some assistance to help these financiers come and take over the farm land. And what they say is that there should be the Saskatchewan stock saving plan — tax credits. Guess who it would apply to? Not to the farmer. It would apply to the non-farmer investors holding SFTC (Sask Farm Trust Corporation) shares; that's who they recommended.

The common share offering would include warrants, which would permit investors to purchase . . . (inaudible interjection) . . . I'm quoting from my own notes, if it's any of your business. The common share offering would have a warrant which would permit investors to purchase government shares within three years at a guaranteed price so that the investors could also buy out the investment that the government put in. Dividends to off-firm investors would not be paid in the first couple of years because they would have these tax credits, but thereafter, I'll tell you, that there would be dividends paid.

The arrangement would be that farmers would sell their land to this trust company, and they would also become shareholders if they had enough equity to become shareholders. And the farmer's shares would not be eligible for the Saskatchewan stock-saving plan. The very one that should be getting the benefits would be denied the benefits. And the outside investors, who come in to

seize the land, would indeed be given tax breaks.

Under this here equity finance situation, they say a favourable repurchase option should be part of the arrangement. But let's face it, how is a farmer, who has been driven off his land, had to turn it over to outside investors — have you ever seen a private investment trust corporation allow a farmer to operate and manage and to buy back? Never.

Lease rates — no one knows how long the lease rates would be, or at what price. But get this; they propose that there would be three classes of shares: Class A, issued to governments. After three years they would be available to be privatized. So they'd set that corporation up, the trust company. Class B, issued to participating farmers and lending institutions. But then they have a class C, issued to non-farmers, investors, and eligible for the 30 per cent tax credit under the Saskatchewan Stock Savings Plan. Well that's quite a plan for the farmer. It really eliminates the debt; it really continues to establish the family farm.

Mr. Speaker, this problem is of tremendous magnitude and it has to be dealt with the seriousness that it confronts the people of this province. Certainly we are opposed to the equity financing scheme and, as I say, the majority of the farmers across this province are. But we say that there is a major problem, but that problem, there is a solution to it. And it's not going to be the solution that has been used up to date, and that is, the present system won't work; it won't continue to work.

The federal government has been making considerable payments in the western grains stabilization program, but I can tell you, under that program there is one more year of pay-out, and after that there is virtually meaningless pay-out under that program unless it's just a voluntary payment by the federal government, but that will not be the case. Because what they're doing under the western grains stabilization program is indicating that what we need to do, because it's virtually bankrupt, the program, is that we have to start charging the participating farmers more.

Now isn't that a solution? Farmers, 40 per cent are losing their land, and they say to participate in the western grains stabilization program you're going to have to double or triple the fee to enter the western grains stabilization program. Well I say that won't work; it won't continue to work.

And there is a basic unfairness in the western grains stabilization program. And I congratulate all the farmers that joined the western grains stabilization because it was made available and it indicated that for every dollar the farmer put in, the federal government was putting in \$3. So it was a protective program and many of them joined, but there are 15 to 20 per cent of the farmers in Saskatchewan who are not participants in the western grains stabilization program.

And I'll tell you, the federal government — the western grains stabilization program has had to be subsidized by several millions of dollars by the federal government. And that's fair enough. But those that are not in the program do not get anything.

What I'm saying is the western grains stabilization program and the participation of those who are in it have not been able to carry the program because of the magnitude of the problem. And 15 per cent of those that are not in get absolutely nothing. And they're concerned because the federal government is really collecting taxes outside — yes, they're collecting taxes from society to subsidize the western grains stabilization program over and above the participation of the two levels, the farmers and the federal government.

And so they're saying, if you're going to draw and subsidize the program, we're not against you helping farmers; but there are 15 to 20 per cent of us who are not in it — that's our own fault — but the thing is, if you're going to subsidize general taxation revenue, then you should in fact have an alternate program for those that are not in the program.

But the second thing is that the deficiency payment — and I can tell you that it was welcomed across Saskatchewan by the farmers as considerable assistance, there's no doubt, but the Premier didn't get it though, that's the problem. The difficulty with the — the difficulty that has been pointed out with the deficiency payment is that it's poorly distributed — "Farmers' subsidy poorly distributed" — over a billion dollars. "One billion subsidy distribution method questioned by study," and we've done a study within our agricultural committee and you will find a disproportionate amount of the subsidy going to a very, very few farmers. That's what happens.

(1515)

And what we need to do is to have it so that those who need the assistance for survival will in fact be addressed more than the deficiency payment.

But the second flaw with the deficiency payment is, we can't always have a Tory government at the brinks of defeat, either provincially or federally, and that's the problem. And I don't know how you can continue to farm, just hoping and wishing to get something if there's going to be an election.

That's what happened in Saskatchewan. The government was on their knees; they were defeated. And late in the morning one morning, on his knees he went crying to his friend, Brian, and begging for bail-out. Well the money is appreciated, but how can you run an agricultural program just catering to the whims of a political party and their crises at election time. That's what has driven agriculture into a crisis.

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

**Mr. Koskie:** — Because what they have done is that anything they have given to agriculture, they've done it on the basis of assisting, first the Tory Party, and then agriculture, and it's only short-term; it's not long-term procedure.

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

**Mr. Koskie:** — But I say to you, Mr. Speaker, that there

can be a solution to this problem, and there are basically two things — I guess there's three things that can be done.

One, I think, is that there has to be a debt restructuring of the farmers who are in serious problems. That's not a forgiveness of debt. Many of the young farmers have been caught with high interest rates. And may I say that this government, when they first came in, realizing where the economy is going — prices were getting less stable — they in fact precipitated some of the problems with their farm purchase program.

I know of young farmers who were encouraged, when the land prices were very, very high to seek this government 8 per cent loan, regardless of where the commodity prices were going, to stretch out and to expand. And I can find farmers who, because of that program, are in serious trouble today.

So I'm saying that you have to be fair to all of the farmers out there. And there are those who, driven by the greed of the day, try to expand beyond their means, and as a consequence have massed up huge debts — huge debts.

**An Hon. Member:** — 22 per cent interest . . .

**Mr. Koskie:** — And someone is chirping back — who's never been on a farm — analyzing the problem. I homesteaded in this province.

**An Hon. Member:** — You homesteaded?

**Mr. Koskie:** — Or at least my forefathers. But seriously, Mr. Speaker, seriously in respect to this . . . and I ask that the members of government that we must join together in a constructive approach to dealing with this real problem.

I don't think we can afford not to deal with it. Otherwise, as I say, we change the map of agriculture as we've known it. And we're going to wipe out, as sure as we're standing and sitting here today, 40 per cent of our farmers if there isn't some solution brought forward and fast.

And it rests with us, but it rests with the federal government, and I say it rests with the financial institutions also. They made piles of money, I'll tell you, loaning out to farmers in the good times. And I think that they should also be a part of the solution because indeed they were a part of the problem, because there was no limitations to the handing out of the money. And if they're a part of the problem, they have to become a part of the solution.

And I'm recommending here two basic proposals. I'm saying that there has to be a major debt restructuring. As the official of the wheat pool said, if we don't act we're going to lose many young farmers; we're going to lose a generation of young farmers, and he said it would take 10 to 15 years if we ever are able to recapture that again. And we had made good progress in getting younger farmers onto the land.

So we have to have a restructuring of debt, and I'm saying here there may have to be some debt set aside — not forgiveness, but debt set aside. It has to be restructured, the debt, over a long period of years at a reasonable rate of

interest. And I'll tell you, that won't break the federal budget, and it won't break the budget of this province, if it hadn't already been broke, which it is. That's the problem.

But we have to come to grips with the debt and we have to restructure it, and we have to do it, not tomorrow, not with equity financing, but actually taking the instrument that we have, the Farm Credit Corporation, and getting the federal government to act and to restructure the debt so that those families have a chance for survival.

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

**Mr. Koskie:** — Now I think that we should be looking as long as we have the international crisis upon us, with subsidization from the United States and subsidization in the European Common Market. I don't think that we can stand by and not come to a realistic method of a fair return on commodities for our farmers. That's what we have to look at.

They have to realize that if they plant their wheat and it's only 2.67, that we, as a society, will give them a return on their production on their commodity; that they can make their plans and get a return. That's not asking a great deal. All you have to do is to have a concern, and you want to have the will to keep the farmers on the land, but that's not the agenda of the members opposite.

And finally, Mr. Speaker, I say to the farmers of Saskatchewan, that's what we are prepared to work towards. We're opposed to equity financing which will destroy the family farm and turn it over to the bond dealers and the financial institutions and the real estates and the Hong Kong investors; we want to maintain a way of life here in Saskatchewan, and certainly we will work and will develop a policy to see that that happens.

The only alternative, as I see, in solving the problem and getting some action, is that the people of Canada take action themselves. And soon they will have an opportunity, Mr. Speaker. There will be a federal election coming, probably this fall, and I would ask the farmers not to be suckered into buying another promise of a deficiency payment, because that isn't addressing the root of the problem, as we have seen with two deficiency payments to date.

So to get rid of the problem, what we have to do, Mr. Speaker — and I will close, in moving this resolution — is we have to get rid . . . the farmers have to join together and really get rid of the real enemy, the Tory parties across this country.

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

**Mr. Koskie:** — Therefore I move, Mr. Speaker, seconded by the member from Humboldt:

That this Assembly regrets the failure of the present Saskatchewan government to develop effective programs to deal with the farm debt crisis and for its equity financing proposal which does not address the heart of the problem of farm indebtedness.

I so move.

**Mr. Upshall:** — Thank you, Mr. Speaker. I would like to say a few words before I second the motion of my colleague from Quill Lakes.

Mr. Speaker, before the last budget I was waiting patiently for this government to do something with regards to farm debt, and tens of thousands of farmers across Saskatchewan were also waiting because they know there is a crisis in agriculture. It's a debt crisis. They have a problem that they cannot solve by their own means right now because of the low prices. They have a problem that has to be addressed by all those involved in creating that problem, and the government must take a lead in this.

But what happened in the budget when people were so patiently waiting for something to happen? Nothing happened. In fact nothing positive happened. But what happened was an \$8 million cut to the agricultural budget. That is why this motion is being put forward. This government has not addressed the farm crisis — has not and will not — because they do not have the desire to keep agriculture in Saskatchewan on a small, family farm basis; a structure that's been built over this province for the last hundred years; a structure that works because we work together, and the dollars created in the agriculture economy flow through the system to the benefit of everyone.

And this government wants to take that away because their vision of Saskatchewan is corporate farms — large, large, foreign-owned, corporate farms. And they will say, oh no, no, that's not true. We want to help the family farm because we have our priorities.

But this government has turned its back on Saskatchewan farmers. It's denied them an opportunity to exist for many of them in this province. They've denied the opportunity for young families to locate on homesteads that have been there for a hundred years or more. It's taken that opportunity away from them, all in the name of Tory progress.

Well I tell you, Mr. Deputy Speaker, that is not the answer to the problems in rural Saskatchewan. This province has \$6 billion worth of debt in agriculture — \$6 billion worth of farm debt. I mean the number alone, when you divide it by the number of farmers, especially the number in trouble, and when you look at the number in trouble, it's the youngest ones. The youngest third of the farmers are carrying three-quarters of the debt. The numbers are staggering when you look at them. And how does this government address the problem? It sits idly by, saying, well we have deficiency payments, the stabilization payments that the Premier of this province has gone and got — which is totally false.

They have no debt restructuring; they have no program to get farmers from one generation to another on the land; no land transfer program, and \$6 billion worth of debt. Surely that's enough for the members opposite to sit down and take a look at it and say, well maybe there is something that we should be doing. But they won't do that.

Farm debt in Saskatchewan, \$6 billion. And *The Western Producer*, February 18, it says: "Bankruptcies down — but not in Saskatchewan." And I quote:

Farm bankruptcies were down last year in every province except Saskatchewan . . . Two-thirds of (those) bankruptcies were grain farmers . . . (and the) Economists say bankruptcy statistics are just one small measure of the farmers leaving agriculture. There are no public records of foreclosures or of farmers that simply walk away.

The bankruptcies are up, and that's just one small measure of what's happening out in rural Saskatchewan. It goes on to say that an agricultural economist, Mr. Schoney, says:

Farms with supply-managed commodities are more prevalent in other provinces.

That's why the other provinces are not having such a problem. Farm supply management, it's helping. And what is this government going out and doing with their trade deal? They're knocking the legs out from under supply management.

(1530)

Six billion dollar debt; families having their right to farm taken away from them. Supply management, a situation where we can provide **Some** stability and has provided stability in Saskatchewan — and this government's taken that away from them. So they certainly have failed to address the debt.

In fact they've not only failed to address the debt, they're accenting the debt by their programs and policies such as free trade. They're going to take those farmers in supply management who have a good livelihood, who are those people who can service their debt and who have a program that they've built up through the years to make sure that their commodity is priced at a reasonable level so they can maintain themselves on their farms, and these cowboys are going to take that away from them.

Well, Mr. Deputy Speaker, that doesn't bode well for this province, a government with that attitude.

I have another clipping here from the *Star-Phoenix*: "Saskatchewan Agriculture Loans Worst on Royal's Books." And it goes on to say that seventeen and a half per cent of the bank loans in Saskatchewan are not being serviced. That is about twice the national average. Saskatchewan is leading the way.

That's because this government has no commitment to agriculture. They sit there and they talk out of one side of their mouth saying, yes, yes, yes, yes, we're going to keep the family farm. And the statistics, Mr. Deputy Speaker, the statistics of bankruptcy's down, but not in Saskatchewan. The statistics of Royal Bank's Saskatchewan farm loans — worst in the Royal Bank's books. Those figures don't lie.

The government over here is the ones who aren't telling

the truth, and they know it, and I know it, and the people of Saskatchewan know it. And that's why we have to put motions like this in, so that we can tell the people of this province: despite the rhetoric, these people do not support agriculture in Saskatchewan. They support themselves and their buddies and the banks and large corporate entities who they're asking to come in and farm this land.

We also have the Farm Debt Review Board. And the Farm Debt Review Board is in place supposedly to help farmers, and the Farm Land Security Board. But when you look at the numbers, the numbers there are also startling. I mean, despite what these people say, the numbers are telling us the truth — 2,251 foreclosures filed, notices of foreclosures filed on 1,806 farmers.

And when you work through all of them, some farmers are even saying now . . . In fact 107 farmers said they just don't want anything to do with them, because they know it's not worth their time and effort to go into it. And out of all those, 106 farmers had reports written in favour of them instead of the banks. But for every one report written in favour of the farmer, Mr. Deputy Speaker, three were written in favour of the banks.

And when I asked the Minister of Justice the other day about maybe we should do something about this, maybe we should give the Farm Land Security Board some teeth, a broader mandate, and what was his answer? Instead of saying, well, yes, maybe we could look into it, he says, well the constitution says we can't do anything about it.

I mean he's trying to dodge the problem, trying to ignore that there's a problem there. The Minister of Finance has given up. He's saying that there's not enough money in the treasury to help farmers.

Mr. Deputy Speaker, we have the facts and numbers, and I'm sure they do too, and now the question I ask is: why don't they respond? Why are they always trying to dodge the issue? Why are they always offering up excuses? Why don't they hit the problem head-on and try to solve it?

And I think I know why. Because when you look at all the statistics, when you look at all the programs, and when you look at this government's commitment, it's quite clear that there is no commitment.

Their commitment is to reduce the number of farmers. And what is that to say about a Premier of this province who in 1982 and '86 ran around saying, we're going to fix it for you, boys. We'll get it done, fellas.

The bankruptcies go up; the debt goes up; the ability to service debt goes up. That's what he says, and he does nothing to turn the problem around. He's got a Farm Land Security Board and, as my colleague stated earlier, that spent an average of \$12,115 per farmer helped.

Why don't you just build a program that's going to help everybody and have a long-term stability built into it? They're dodging the problem again. They're treating the symptoms of the problem instead of treating the disease, because they don't have a commitment.

And the back-benchers sitting over there, Mr. Deputy Speaker, who supposedly represent rural constituencies in this province, should be ashamed of themselves. How could they go out and tell farmers that they're going to be working in their favour when they're doing absolutely nothing. And doing absolutely nothing and turning around and telling the farmers: well, we have a plan; we're going to implement this program and that program, and we have livestock programs and deficiency payments.

Do you think the farmers out there are dumb? They look at their bottom line, and over the years it keeps coming down, keeps coming down to the negative figures. And that's why we have the problem of people leaving this land and the government doing absolutely nothing about it.

But they have one program, one program to help debt, to help relieve the debt. And Mr. Neil, who — Doug Neil, the president of the federal Farm Debt Review Board, says, farmers whose only alternative is to give up the farm, receive help through other government programs, such as the rural transition program." That's the solution, that's one of the solutions for this government — the rural transition program. "This," Neil said, "is a good program for helping farmers relocate to an urban setting and to get them into another trade."

Well, whoopee — isn't that solving the problem. I mean, how narrow-minded of an approach do we have here from this government and this federal government. The rural transition program, as quoted by Doug Marte, "is an option that more and more farmers are looking at," he says, "More and more farmers are looking at the program as a real alternative to foreclosures." I mean, the government is actually trying to convince people that that's the solution to their farm debt, is to get them off the land. What kind of a solution is that, when we've got in this province the structure built here? Families want to farm, to grow grain for a hungry world, but this government, they say, well we could farm this land with six or seven corporations. That's what they want to do.

The rural transition program is a \$46 million program designed to help financially troubled farm families make the transition — \$46 million dollars they're spending to get people off the land. Why wouldn't they spend that money trying to keep people on the land if they're so concerned? They're not concerned, that's why. They pull the moratorium on farm land, on federal FCC (Farm Credit Corporation). They pull the moratorium, and then they have the farm transition program, because that's the attitude.

And yet this government says that we're standing up for farmers, and Brian Mulroney says we're standing up for farmers, and in fact . . . I have another little clipping that says, "PM vows to support farmers". We're not going to let them hang out there, he told the Star-Phoenix in an exclusive interview on Thursday. We're not going to let them hang out there. But what about the numbers, Mr. Prime Minister? They're hanging out there now; they've been hanging out there for the last five or six years. And many of them are gone. Maybe that's what he means, we're not going to let them hang out there — he's going to

get rid of them. And he also goes on to say:

If you believe in the family farm and in the value of agriculture and our national life, then you've got to stand behind agricultural producers.

Well how hypocritical. I mean he's got a rural transition program in Ottawa that gets farmers off the land, and he's saying, you've got to stand behind agricultural producers. Well I say he's standing behind them all right — just far enough so that he can watch somebody foreclose on them and boot them off the land.

And also in this little clip, Mr. Deputy Speaker, the Prime Minister goes on to talk about the Canadian Wheat Board announcement last week. It says:

The adjustment in initial prices on Canadian Wheat Board grains announced this week will put another \$175 million into the agricultural economy at a time when it is sorely needed, he said.

This is the Prime Minister who said this — 175 million at a time when it's sorely needed. Well just let me tell you something, Mr. Deputy Speaker, about that.

Last . . . beginning of last crop year when the Canadian Wheat Board sends the range of prices in to the government so the government can set the price, what did they do? What did this Prime Minister who is supporting and standing behind farmers do? He set the range at the . . . the value of the grain at the bottom of the range, right near the bottom. Instead of picking at the middle of the range where normally should be picked, he put it at the bottom of the range because he knew there was an election coming. And now this spring he's going to try to gear up the troops. So he goes back in Ottawa and he says, well we'd better put some more money out there; there's an election coming up.

So he adjusts the initial price of grain to the point where it should have been in the first place, and the members opposite know exactly this little routine. They know exactly this little routine. So he bumps up and adjusts the price, and the headlines say, farmers get \$175 million. What kind of crass politics is this Prime Minister of this country playing, supported by the Premier of this province and his rural colleagues over there? What kind of support is that for farmers when we have \$6 billion worth of debt, and they're toying with their lives on the initial price of grain, trying to win themselves another election. I'll tell you that is hypocritical, that's dishonest, and that shouldn't be tolerated by an country.

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

**Mr. Upshall:** — But this is the method, this is the method used by these governments. They use every possible manoeuvre that they can muster to try to buy themselves another term in power.

And here's another little quote. This is *Western Producer* from February 18:

FCC keeps getting land. Farm Credit Corporation

land holdings increased 62 per cent during the last seven months of 1987.

Sixty-two per cent, 337,000 acres on December 31 that it owned, and what did FCC do last year? It wrote off \$126 million. So this government, supporting the government in Ottawa, said it's okay to write off \$126 of taxpayers' money; take the land from the farmers, the farmers who are paying thirteen and one-half, roughly, per cent interest, and have the land fall in the Farm Credit Corporation.

So the scenario is like this: the farmer is paying high interest, so he can't make his payments; Farm Credit Corporation says, well we're going to foreclose on you, so they take the land back, and the taxpayers of this country have to shell out \$126 million.

Wouldn't it make more sense, Mr. Deputy Speaker, to give the farmer a low interest rate. The federal government can get money at 9 per cent; they can give it at somewhat less than that, 1 per cent, 2 per cent, plus administration charges — very small fee. The farmers would stay on the land and be able to eventually pay that back, if that debt was restructured, and save the taxpayers of this province \$126 million. Now I mean that's not so difficult to figure out, but that's not the mandate of this government. Their mandate is to get people off the land, and that is a prime example of how they're doing it.

It's so clear to me, so clear to me that they're reducing the population of this province because they feel that they can control smaller numbers and still have the support, still get large corporate entities in here to farm the land. That's the mandate of this government.

The Saskatchewan Wheat Pool, they offer a solution. It's called the rural stability program. Their members have put together with their directors and executive a proposal whereby we can have a rural stability program to handle the land debt crisis and transfer the problem in this province.

But has this government even considered it? Have they even gone out and talked to the wheat pool about their proposal? They have no ideas of their own. That's what it appears to be. Maybe they should go against their mandate of reducing the population out here just for a little while and see if there's anything they can do for the farmers.

And that's why we need a government that responds to people, responds to ideas, and responds to the solution that we need in here of restructuring the debt, of reorganizing the distribution of federal transfers of money to farmers to such a way where they have long-term stability.

(1545)

And I just reflect for a minute back to supply management. And I've looked at supply management commodities right from the time before that they were organized until now. And the whole pattern of those supply management commodities, the whole pattern of those farms has become one of a stable unit. But this

government does not believe in that because it's not their mandate. So they don't take ideas like the Saskatchewan Wheat Pool's, of a rural stability program. They ignore it, and I ask why.

Last week we had members of the National Farmers Union walking in the streets saying, look, we have to have something done. And they offered up some solutions. Does the government even consider them? And if not, why not?

The numbers tell the problem. The faces of farmers also tell the problem, and the government doesn't respond to ideas — ideas like a moratorium on foreclosures until the banks can be . . . and the debt can be alleviated with some other mechanism. But let's put a stop to it right now, organizing the Farm Credit Corporation so that their mandate is one of prime lender instead of lender of last resort. I mean, that's an obvious, simple solution. But that's not the priority of this government.

And yet the hypocrisy that comes out every time they stand up there in their benches and they say, we are supporting the family farm; we're supporting rural Saskatchewan and agriculture because we believe in the family farm. What hypocrisy? All talk, rhetoric, garbage, is what it is. And the farmers of this province know that.

Also the NFU (National Farmers Union) wants the deficiency payments geared to the cost of production. Not so difficult. Put a reasonable cap on it, geared to cost of production. No action.

And one of the members says the current situation is one where a farmer has no power. He's completely at the mercy of his creditors. And in 1986 — here's another little statistic — farmers' net income hit 5.5 billion nationally. Farmers' net income — \$5.5 billion nationally. But almost \$4 billion — 3.9 billion of that — went to pay off loans and interest on debt; 70 per cent of the net income in this country went to pay off debt.

And these guys don't want to address the problem. What kind of a government would sit on its hands and allows this to happen? What kind of a government says out of one side of its mouth it's supporting agriculture, and the actions — and I lay them out with the statistics, with the programs — say another thing that says, we're going to get rid of these farmers in this province.

I don't understand it. At one time I thought that, why would any government whose support was in rural Saskatchewan want to get rid of the farmers? I mean, that's their vote. It was their vote, maybe, but it's not any more, I'll guarantee you that, because the farmers of this province are telling me now that they no longer support this Tory government. They no longer support it because they're hypocritical, because they're deceitful, because they're not telling us the truth in all instances.

And that's why, Mr. Deputy Speaker. They're misleading the farmers, and the farmers are now seeing that. It's okay to have the rhetoric, that hype about: we're going to lead you home, boys. But when the stark reality shows and the farmers are forced off the land and they're huddling their families in the living-room while their machinery is being

repossessed, is not a very happy sight. And they are saying, where's the government?

And they know where the government is. The government is hiding somewhere. Where are the members of the government in the seats in rural Saskatchewan? They are hiding somewhere. They won't even talk. They won't even talk to their members. Now this is a government that shouldn't be governing. This is a government that shouldn't be governing.

And I just want to go into, Mr. Deputy Speaker, into something else. There is a very great problem right now in Saskatchewan. One of the reasons the problem is as grave as it is, is because it's been an accumulation of debt over a few years and lack of response of the government. But one of the only reasons that we've had, in most of this province, some income, is that we've had a crop. Some areas in this province haven't been that lucky. But the majority, there has been a decent crop.

But this year there's a different story. This year right now, from the Yellowhead Highway roughly south, there is a tremendous drought. There's dug-outs that are dry, the pastures are dry, and the farmers are wondering what's going to happen. And there is an old saying, you know, we've never lost a crop in March yet, and that's true. But I'll tell you, what is this government's response? And I'll just have a little quote from the *Star-Phoenix* of April 9. It says:

Though some southern Saskatchewan communities are running out of water and dug-outs are bone dry, it's too soon to be talking about drought-relief programs, says the Environment minister . . .

I won't mention his name because we all know his name. In an interview later, he said:

The lack of water is a crucial issue right across the South, but it's far too early to talk about drought relief.

Well isn't that something — too early to talk about drought relief. What kind of a government does not prepare for what could come? Where is the program in place in case there is a drought? I mean, we all hope and pray that the rains come, there's no doubt about that. But if they don't come, Mr. Deputy Speaker, what then? There will have to be another program in place. There will have to be some type of an arrangement made so that we don't lose even more farmers, so that the banks can be assured that maybe we can set this debt aside for a year because of the drought — something, some conditions — but we have to have a program in place. And what's the Environment minister saying? It's too early. What's the Premier of this province, the Agriculture minister, saying? Nothing.

**Some Hon. Members:** Hoping for rain.

**Mr. Upshall:** — Hoping for rain, that's right, with nothing in place. And when it comes time for this debt . . . or for this drought if it does come, and I hope it doesn't — but when we're in the midst of it, and this fall if we don't have

a crop, then it's going to take these cowboys another six months to figure out what to do. Just like the equity financing. I mean, how long can they drag this thing out? It's incredible.

They put in a farm purchase program that they said that there was a great need for. And there was need for an interest reduction, but what do they do? They cut it out — they cut it out so that they don't have a program. And farmers now, who have been in it five years, don't get the 8 per cent, interest reduced to 8 per cent, but they only get it reduced to 12 per cent.

Now if things were getting better we can see . . . and I'm sure the program was planned so that over five years things, hopefully, would improve and that we would be able to pay 23 per cent; but it didn't happen. And where is this government? Are they saying, no, we'll maintain that interest rate at 8 per cent? Not at all. Another solution that they could . . . simple solution that they could come through with, but they don't budge on it because they don't support agriculture and farmers in this province.

I'd like to talk for a minute, Mr. Deputy Speaker, about The Farm Land Security Act. Now The Farm Land Security Act is still in force, and it was put in place to secure the home quarter, home quarter protection Act, as it was called, so that farmers could at least maintain their home quarter in times of foreclosure so they wouldn't be booted right off the land.

And as I said, The Farm Land Security Act is still in force. But the problem is that lenders routinely ask the farmers buying land to agree to an exemption from the Provincial Mediation Board, and if you agree to that exemption, the Act offers you no protection. And that's common practice, Mr. Deputy Speaker, for the farmers to have to agree to the exemption because the banks say, well, you know, we have to have that security, even that home quarter. And they will argue, well if you don't . . . if you did do something to that, it would dry up credit.

Well, big deal. That's the farmer's biggest problem now, that he's going to have his credit dried up. What he needs now is protection from the banks and from Farm Credit Corporation and from this government. And they won't give them that protection.

All the things that I've mentioned, Mr. Deputy Speaker, are all indications, right from the \$6 billion debt, right through all the numbers of farmers in trouble, all an indication that this government does not care. And it's beyond me to know why they wouldn't care; because it's hypocritical; it's not fair to the people of this province that they put a government in power, the farmers of this province put a government in power, then they turn on them. That is totally unfair.

Another reason that this motion has been placed in there, that they have not addressed . . . this government has not addressed the farm crisis, farm debt crisis, is the farm production loan. The farm production loan program bought this government another term in office. It was put out there with absolutely no forethought.

They put this program out, said: farmers, here you go,

boys, hassle-free cash, and they turned around and double-crossed them. Instead of becoming part of the solution, they are becoming . . . they have become a sixth of the debt problem in Saskatchewan. This government is one-sixth of the debt problem.

And what are they doing about it? Well, they said, farmers asked to have the loan extended over 10 years. That's fine; that was a good move. They assumed it would be at 6 per cent. They assumed it would be under the same security agreement terms of a promissory note.

But that's not what this government had in mind, Mr. Deputy Speaker. What they had in mind was a grab, putting the vice on farmers, saying: look, fellows, you can have her over 10 years, but you're going to pay more interest and you're going to have to sign a security agreement.

So they changed rules in the middle of the game. So they have not addressed the debt crisis. The farm production loan hurt the people of this province, just like the trade deal, the Mulroney-Reagan trade deal, is going to hurt them; just like equity financing isn't going to help them.

Changing the rules in mid-stream of the production loan, Mr. Deputy Speaker, was not fair to the farmers of this province. It was not fair to them because when they asked for the payment to be extended, what they meant was, give me more time to pay this loan. Give me more time to pay this loan at 6 per cent interest — give me more time to pay this loan at 6 per cent interest under a promissory note. And did they get that? No, they didn't get that, Mr. Deputy Speaker, because now the government has claim to all their assets. They can take it all away from them if the government so wishes.

And the farm family . . . just imagine, the farm family this spring, going out there, and many of them are out there already; again they're going into spring not knowing what's going to happen this fall, not knowing if there's going to be a deficiency payment. And the rumour is, well it's an election, so we probably will get one. The only security they have is the stabilization payment this year, and after this year, unless it's adjusted, it'll be down to half or less the next year, and continue to go down.

So they have not addressed the debt crisis. They still give farmers loans . . . or they still give people loans at 6 per cent to put their hot tubs in, with no security; that's still in place. But the farmers get a different deal. Oh yes, they give Peter Pocklington \$21 million — that's no problem; that's still in place. The rules haven't changed on Pocklington's deal, but two years into an agreement, the rules change for the farmers.

Why would a government do that unless this mandate was to reduce the number of farmers in this province. The rules still stay the same for Weyerhaeuser, where they don't have to pay unless they make a profit, but the rules stay the same and worse for farmers because they have to pay regardless of profit.

I'll tell you, our farmers could sleep at night if they had a deal like Weyerhaeuser's. But this government's priorities are all mixed up and not in line with what this province



used to be and what this province could be, and that is, a firm financial base built on agriculture, combined with industry and service sector, the small business — that's not their mandate. They're taking this province to hell in a hand basket, Mr. Deputy Speaker, and they're doing it very quickly.

Mr. Deputy Speaker, this budget devoted about as much time to tax increases as it did to agriculture. This budget cut \$8 million from agriculture, \$8 million that could have been used to support the farmers and help reorganize their debt. Twenty-five per cent of the budget was cut last year that could have been used to help farmers and reorganize their debt. And why wasn't it? That's the backbone of this province. When times were good and farmers were making a profit and paying income tax, they brought in about a third, in some years, of the money that came into this country. So now it's turn about fair play; it's time for everybody else to gather together to help out the farmers.

(1600)

And that could happen, Mr. Deputy Speaker, that could happen if the government of this province and the government of this country wanted it to happen. But I tell you, they don't want it to happen, and that is a complete betrayal to the farming community.

They haven't addressed the farm crisis. They haven't given any increase to rural revenue sharing so the farmers are going to have to pay more for their services there. Again, they're adding to the farm debt crisis.

Mr. Deputy Speaker, I'd just like to tell you now what they have done for agriculture. They're going to commit themselves to try to end the pricing and subsidies, the subsidies around the world, the over-production problem; they're going to work hard to end that. Big deal. What about the farmers that are losing their land today?

That was one commitment from the budget speech. Fifteen million dollars for irrigation, at a time when irrigation farmers cannot afford to get into . . . when farmers cannot afford to get into irrigation, the government says, well boys, if you want more debt we'll give you 15 million bucks to get into irrigation for agriculture. What kind of logic is that? There's nothing wrong with promoting irrigation, but you have to get your priorities right. You have to set up those farmers who have a high debt now and who can't manage it, because you can put \$15 million into creating new irrigation projects for farmers, and then you could lose another \$15 million when those farmers go bankrupt, and other farmers go bankrupt who are under irrigation. Where are the priorities? And they're going to have an \$8 million opportunity for a corporation to get into livestock production — \$8 million.

And what have they done to the other livestock, the family farm livestock people of this province? They've cut back their cash advance by 25 per cent. That wasn't necessary; that wasn't necessary; that wasn't necessary at all. And that is why I say this government has no commitment to agriculture. I've laid all the factors . . . if you put one list of what their

commitment, and the other list their lack of commitment and cut-backs. I'll tell you, the cut-back and lack of commitment list is about 10 times as long as their commitment list.

And, Mr. Speaker, they have counselling assistance, they have Farm Land Security Boards, they have production loan, they have cash advances, and all these programs that this government thought were helping farmers are not working; they're not keeping the farmers on the land. And that is why, Mr. Deputy Speaker, this motion was put forward.

But their solution . . . here's one of their big solutions: equity financing. That's going to be the big saviour for the farmers of this province. Well I'll tell you, Mr. Deputy Speaker, the Saskatchewan Wheat Pool says they prefer a revamped land bank to equity financing. They want a Crown-organized corporation to handle the land in this country, not foreign capital coming into this province to own Saskatchewan farm land.

Equity financing, if it's implemented, will probably have to do away with The Farm Land Security Act, and we're going to have to do away with that so we can allow people to come into this province to invest. That throws this province wide open for investment to anybody. At a time when agricultural land is at its very, very lowest and maybe could be going slightly lower, but probably at its lowest point, that's when they're going to open up investment to this country for people outside of this province to own land. What kind of sweetheart deal is this anyway? Because they know that those boys will pump money into the pockets of the Tory coffers for election time. That's the way they play the game.

So the Saskatchewan Wheat Pool doesn't agree with their equity financing, but they're going to have a pilot project. A small pilot project on equity financing was one of the recommendations released in a report Friday. Mr. Deputy Speaker, how long is this government going to drag out their solution to the farm debt crisis?

First of all, implementing a program that, as I see it, won't work, because it's not going to help those people who are very, very poor or insolvent or who have a very high debt/equity ratio. It's not going to help them. It's going to help those people who possibly . . . who have some assets to get even larger so they can buy up those farms, again in the tradition of the Tories, to reduce the number of farmers. It's a master little plan.

A pilot project — I wonder how long that's going to take. I mean, they sat on this thing for a year now: oh yes, we're going to have a program. And we're going to have a pilot project for what, another year? How long does it take for a project like that to prove itself? — one, two, five years?

**An Hon. Member:** — They're just opening the door.

**Mr. Upshall:** — That's exactly right, Mr. Deputy Speaker, they're just opening the door to the financiers of the world to come into Saskatchewan and get bargain basement land. That's what they're doing. They're going to open the door for to put Saskatchewan land on the stock market. They're going to open the door to have the family farms of

this province be share-croppers. That's what they're doing. And that's exactly what equity financing will accomplish for this government.

But it will accomplish something else. It'll bail out their banker friends who've been putting on so much pressure for them to say, look, we have to get our money out of this land; we're not going to do it unless the government comes up with a program to bail out the banks. And that's another reason that they're doing this.

What a sorrowful statement for any government to put before the people of this province: a plan that denies farmers the right to farm; a plan that bails out banking institutions who have made millions in dollars out of the farmers; and a plan to open up our land at fire sale prices to foreign investment. That's what equity financing is. It is a smoke and mirror attempt to try to convince the farmers of this province that they're doing something. Well I'll tell you, Mr. Speaker, they won't believe them, because they are doing absolutely nothing.

Mr. Speaker, this government has not addressed the debt problem in this province. They have not addressed any solutions except farm equity financing, which won't work, because it's not aimed at the right people. It's another government program instead of a farm-based program.

That is why the farmers of this province are telling me in private, and some in public, they're saying, we will never vote Tory again. And I believe them, because they're now seeing the light. They're seeing the dust has cleared on the rhetoric that this Premier of this province has put forward. The dust has cleared and the colours are coming shining through of the deceit, the betrayal, the denial of existence for farmers in this province.

So with that, Mr. Deputy Speaker, I certainly get . . . With that, Mr. Deputy Speaker, it gives me pleasure to second this motion.

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

Hon. Mr. McLaren: — Mr. Speaker, we have been sitting in this Assembly for one hour and 40 minutes hearing the member from the Quill Lakes and the member from Humboldt telling us how much we haven't done for agriculture in Saskatchewan.

And I was surprised at one of the comments of the member from Quill Lakes, where he said in 1980 or '81 there was \$3 billion worth of farm debt. After seven to 10 years of the best times that agriculture has had in Saskatchewan, there's still \$3 billion worth of debt. But in their mind that's nothing, that's just a starting point for the next three billion in their minds.

How many of the members opposite know that we lost 10,000 farmers from 1971 to 1981? A thousand of them a year, in those 10 years. But you never bring up those facts in your comments. It's always, the Tory government doesn't support agriculture in Saskatchewan. We heard that statement over and over and over in the last hour and 40 minutes. And what . . . (inaudible interjection) . . . Yes, what a joke.

Mr. Speaker, I have to say it is a little disappointing to be debating such a motion as we have been listening to today. And it is disappointing, Mr. Speaker, because in the first place, the motion contains no correspondence or true correspondence to the facts.

But it is most disappointing too, Mr. Speaker, because here the opposition had an opportunity to produce a motion of substance, an opportunity to offer some solutions. This motion that proposes no alternatives, a motion that could put a policy forward on agriculture, a motion that could have indicated some genuine support for farm families in this province. Instead, what do we hear, Mr. Speaker? We have a motion from the NDP attacking a program of this government that has put over \$1 billion directly into the family budget on farms across this province.

And they say, no, it didn't happen because of the Tory government happened — it just happened. What was our Premier doing for months and months and months, but going to bat for the farmers of this province. And you can laugh about farmers: I'm one, my brother is one, I was born and raised on a farm, and I know what the farmers are going through at this particular time.

We have a motion that has not one suggestion, not one idea to offer to address the pressing financial challenges of many of our farm families. We have a motion devoid of thought. We have a motion, Mr. Speaker, that, taken for what it is, represents an insult to farm families across this province and a motion that is worse than a waste of this Assembly's time.

Mr. Speaker, the opposition could have put forward a motion that talked about the 2.8 billion-worth of agriculture programming that this government has put into place since 1982. And by the way, that 2.8 billion only counts for the impact of programs up to February of 1987.

They could have talked about programs that they think might be helpful, and we heard one or two little suggestions over there, but that is ideas that we have talked about for the last 10 to 12 months trying to get them discussed in our caucus, in cabinet, in our tour around the province with the farming community, thousands of people being talked to, and it is a problem that is very, very difficult to come up with a good program.

They could have talked, Mr. Speaker, about new initiatives that they would like to see. Instead all they do is criticize, condemn, and mangle, and we've heard that for an hour and 40 minutes, scoffing at the increase in the initial price of grain. And what is more important to the farm industry than having an increase in the price of their product that they produce.

We've been faced with prices going down over the last three or four years, and the member from Humboldt laughed that it was some great election promise to get the support of the farmers, and it's not the fact that there is grain prices that are gradually starting to go up in the world market which we're delighted to see, and everyone in this Assembly should be joyful to see that is starting to happen

for our farm people.

This government, Mr. Speaker, has chosen to make a commitment to support farm families in this province with all the resources it can reasonably muster and it has done so. And you know it is not even amusing, Mr. Speaker, to hear the member from Quill Lake stand in his place and say the government has done nothing for farm families, as well as the member from Humboldt. And I am really surprised to hear that coming from someone who has a connection to the farm community.

Let me put things in perspective, Mr. Speaker. The net debt of the province, Mr. Speaker, the net debt will be \$2.8 billion in 1989, and undoubtedly that is a great deal of money, a figure that must be viewed with concern. But put beside that debt just one item, the \$1.2 billion put into farms in this province through the production loan program — 1.2 billion — and we account for almost half of the total net debt of the province, Mr. Speaker.

(1615)

And they talk about the \$3 billion debt that was there in 1980 and '81. But what did they do about it? Three billion evidently was okay in their mind to have that kind of debt load on our farmers' backs eight years ago. The interest rates went up to 20, 22 per cent, and what did you do? You did nothing with the farm debt, even if it was at \$3 billion in 1980 — you did nothing. With interest rates climbing to 20 per cent you sat with your . . .

**Mr. Speaker:** — Order. Order.

Hon. Mr. McLaren: — Thank you, Mr. Speaker. They did nothing in 1980 when there should have been something, and that is part of the problem now. It's not starting at 3 billion — not starting at \$3 billion worth of debt. And it has gone to 3 billion since then, and we acknowledge that, but it was because of grain prices, because of drought, because of grasshoppers. The NDP, I'd like to see what they could do with grasshoppers all over southern Saskatchewan, and try to control things like that, or try to make it rain. You would have had the same kind of problems, and it's not fair for you to blame it on the Tory government that it went another \$3 billion in the last six years.

And into that, Mr. Speaker, the expenditures of the government in the following programs: the livestock cash advance — and of course we have done nothing for agriculture — the livestock cash advance; grasshopper control; irrigation assistance; farm purchase program; ACS (Agricultural Credit Corporation of Saskatchewan) regular loan program; livestock moving program; livestock drought assistance program; the Saskatchewan program; livestock investment tax credit; livestock facilities tax credit; crop insurance; crop drought assistance; counselling and assistance for farmers; The Farm Land Security Act; and the farmers' oil royalty refund — and the list goes on and on and on.

And as I've said, for an hour and 40 minutes we've heard all afternoon that the Saskatchewan government had done nothing for agriculture.

Let's talk about The Farm Land Security Act. And we heard those figures being tossed about the — across the floor today, that nothing was done to help farmers. I'm going to read out of *Hansard* what my colleague, the Minister of Justice, presented to this House yesterday.

There are in total in Saskatchewan of some 63,000 farmers. The number of farmers who have received notices, whose notices have been received by the Farm Land Security Board today — that's the number of farmers who have had a notice come from a financial institution — has been 1,806. That is . . . of the total farmers that is about 2.87 per cent of all farmers who have had notice served on them from a financial institution, have taken that notice to the Farm Land Security Board — less than 3 per cent, Mr. Speaker, or 1,806 farmers.

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

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

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

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

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

And we hear from across the way, that the Farm Security Board is not working, that the farmers are not being counselled and not getting any assistance.

And the impact of these programs together, Mr.

Speaker, and you have over \$2.8 billion — \$2.8 billion, or a figure very close to the net debt of the province. And in fact, Mr. Speaker, the total financial impact of our agricultural programs to February of 1987 was \$2,840,146,697. In other words, Mr. Speaker, the agriculture programs of this government represents 99.03 per cent of the value of the entire net debt of the province of Saskatchewan.

Now, Mr. Speaker, the math is simple enough for anyone to calculate so I would ask members opposite, in view of these facts, how can you in good conscience stand up and claim the government is doing nothing for farm families? How can you be taken seriously when what we are doing for farm families represents 99 per cent of the value of the province's net debt?

Now, Mr. Speaker, in case the members opposite would like to misconstrue my words, let me be very clear. I am not asserting that farm families are responsible for the province's debt; they are not. We are proud that we have been able to be of assistance to the point of \$2.8 billion to the farm families of Saskatchewan.

And I cite these figures not to cast a shadow of responsibility, but to show the extent and the nature of the commitment of this government to farm families.

And it is worth noting that we had done . . . or if we had done as the NDP would have people believe, that we had done nothing for farm families, we would have a zero net debt, Mr. Speaker — zero. But farm families are important to this government — extremely important, Mr. Speaker — because we know that the cities, like my own city of Yorkton, our cities will not prosper without the massive contribution made to our economy by agriculture.

So we have provided this extensive support, and the numbers are these pure and simple to prove it. And as I said earlier, Mr. Speaker, we are proud that we have been able to be of that kind of assistance to the farmers of Saskatchewan.

You will note, Mr. Speaker, that those numbers do not include expenditures on the Department of Agriculture itself, nor do they include the huge expenditures for the rural natural gas distribution program or the private line telephone service program.

If we added in those programs, the expenditures for Agriculture would significantly exceed the province's net debt. And the members opposite are all upset that the actual Department of Agriculture is not getting the money they think it should get. And in discussing their complaints and criticisms about the production loan program, they like to sneak a comment that the government must not be committed to agriculture because it is reducing spending on the apparatus of the Department of Agriculture.

But I invite them to go to the farm families around my city of Yorkton and ask them, would they prefer to have more civil servants employed in the department or would they rather that we implemented the programs we have, programs like the production loan program, putting the dollars directly into the family budget? You know what

the answer will be, Mr. Speaker. The NDP like to say that if they had been in power, they would have done these things, and I have no doubt, Mr. Speaker, that they would not have.

I can remember talking about the natural gas program to the farms and the small towns. You had an opportunity to do that, but you decided not to. They would not have a production loan program; they would not have lobbied for deficiency payments — they would not, out of all the hundreds of millions worth of programs that this government has implemented. They could have, but they refused not to, and the \$3 billion debt that we were left within the farm side was already there.

But we are not sure of what they would have done. We aren't sure because they refuse to say anything about what they would do. They are very good at saying what they will not do. They are very good at saying what they do not like, but they refuse to put forward even one policy suggestion. I guess, Mr. Speaker, that if we want to know what these people would do, we have to look at their record, and that is all, in fairness, what we can do.

Now let me just address the comments of the NDP members that this government is spending five million less on agriculture than they did in 1981. What artistry they have, Mr. Speaker, when it comes to manipulating the facts. I have already pointed out that if we are sensibly discussing government spending on agriculture, we cannot look just at the actual departmental spending, we have to look at all the agricultural programs.

So I ask: how much did the NDP spend on rural natural gas distribution, Mr. Speaker, in 1981? Not one dime, not one penny. And they can make light of that program if they like, but the simple fact of it is, Mr. Speaker, that that program directly results in an increase in farm income. Farm families have to pay less to heat their homes or run their grain dryers, and that means they have increased incomes. It is that simple, Mr. Speaker.

How much did they spend on burying power lines? Mr. Speaker, again you know the answer: not one single dime. And that program opens up new acres to sow and increases the size of their crops. It reduces the time needed to work the fields and reduces the gas to run their equipment, and that increases their farm incomes.

How much, Mr. Speaker, did the NDP spend on the direct subject of this motion, the production loan program? Again, not one nickel, at a time when they had \$3 billion worth of debt in the farm sector. The NDP policies were based on two things: buy up the farm land, and discourage diversification, and chase the land prices up so that the sons and daughters of their parents were kicked out of the market-place.

Now, Mr. Speaker, I do not have to prove the first assertion, since everyone in the province is familiar with the tragedy known as the land bank. But it seems that there are some commentators who do not need reminding about the second policy of the NDPs — the policy to oppose diversification. And without any malice or disrespect, I would direct such commentators who have suggested that all parties have been in favour of

diversification, to look at the record.

And here I would provide a specific reference from Jim Knisley, who is, in my estimation, a fine agriculture commentator. But I would refer him to the policy of the former NDP minister of Agriculture in 1980, Mr. Speaker. All of the experts were recommending agriculture diversification, and there was ample opportunity to act on those recommendations. And what did the NDP put forward for policy in the *Financial Post* of February 12, 1980? And I quote:

If Saskatchewan farmers hope to cash in on a growing, profitable world grain market, the change-over to straight grain is necessary. The Saskatchewan economy is diversified enough to take the strain of a large crop failure.

What utter nonsense. Now, Mr. Speaker, how could any Minister of Agriculture in his right mind state that Saskatchewan is diversified enough and diversified so much that a large crop failure would not be a problem? How could the NDP be recommending farmers to go backward, to change over to straight grain production and back away from diversification? This was the NDP policy, and until they provide something new, we have to assume it remains the policy.

(1630)

Programs like the production loan program have been essential to keeping farm families on the land, Mr. Speaker. They have been a great help in difficult times, and we're also helping them to diversify and not holding them back.

The NDP, with motions like the one before us, wish only to hold back our farm families. They hope to escape the responsibility of providing any policy alternatives. The NDP is a party without alternatives, without policy, without hope.

In agriculture, Mr. Speaker, we have the 4-H club. But when it comes to agriculture, the NDP is the 3-H club. They are, to use their own words, Mr. Speaker, hopeless, heartless, and helpless, the 3-H club. They hold out no hope for our farm families, only despair. Instead of posing solutions, they dwell on criticism, complaint, and bitterness.

They have no heart, Mr. Speaker, for our farm families. They say the production loan program should never have been implemented. They call it a welfare program for rich farmers, and that is heartless. And they are helpless, Mr. Speaker, and they are helpless when they have nothing to offer. And we can only repeat the question over and over again: what are the NDP farm policies? They have no help to offer.

And they are also helpless in themselves, Mr. Speaker, because farm families will not help them in the next election. They will remember exactly how much help the NDP offered them, and they will return it in kind.

And, Mr. Speaker, clearly the motion as it stands is unacceptable and unworthy. And I hereby, Mr. Speaker,

would like to make an amendment to the motion:

That the motion be amended by deleting all words after the word "Assembly," and substitute the words:

Communicate its support for the Premier in championing the cause of Saskatchewan farms, in fighting for deficiency payments to farmers and in giving farmers relief from high interest rates; and that this Assembly never forget the failure of the previous government to help farmers meet high interest rates, nor the boondoggle known as land bank and the damage it did to our farm sector.

It's my pleasure to move this motion, Mr. Speaker, seconded by my colleague from Morse.

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

**Mr. Speaker:** — Order. Order.

**Mr. Martin:** — Thank you, Mr. Speaker. I want to begin my remarks this afternoon on the issue of financing and the involvement of our Premier in dealing with financing in the agriculture sector. I want to point out a number of things, one of them being the record that we've got, the ongoing position of our government, and then I'd like to, if I have time, deal with some of the things on international trade, some things that the federal government has done in conjunction with us. And I believe that those things will point out where we have been walking along with the farmers of Saskatchewan in dealing with the financial debt problems that they have.

I, first of all, want to point out, in a book that was put together by a committee of MLAs from the government side of the House, some things that I believe are very pertinent and important. One of the things that we have to address, Mr. Speaker, is: what was the position of agriculture over the past . . . what has been the position of agriculture over the past seven years?

For example, let's take the income levels that farmers have generated in the province of Saskatchewan over the last eight years. Let's take that revenue that is generated from livestock and grains and various kinds of sectors in agriculture, and then we will see what's happened. For example: 1981, \$3.9 billion, 1981, total revenue, farmers; 1982, \$4 billion; 1983, \$3.9 billion; 1984, \$4.2 billion — 1984, Mr. Speaker, was the highest income ever recorded in Saskatchewan's history, from grain, from livestock, the largest income that was recorded in Saskatchewan's history from agriculture. That, Mr. Speaker, is significant.

What we have had from 1984, Mr. Speaker, is a reduction in volume of grain produced in this province. The drought in the south-west almost ravaged the south-west in the production of grain; 1985 was no different, topped by grasshopper problems that we had all through those years, till 1987 we have a gross income of \$3 billion — 1987, \$3 billion in total revenue. That, Mr. Speaker, has gone from 3.9 billion in 1981 down to 3.1 billion in 1987.

Now I want you to go with me on the net, on one hand,

and the net with the involvement of the people of Saskatchewan and the federal government. I want you to take a look at what the real income has been for producers in that same time. It has gone from 3.9 in 1981 to 4.2 in 1984, down to 3.1 in '87. However, what is the total that agriculture has received, now including what they've earned and what governments have given them. What was the total value given to agriculture in 1981, total, Mr. Speaker, federal and provincial? In 1981 it was \$70 million; \$70 million was the total in 1981.

Now let's go to 1987. What was the total in 1987 — \$1.18 billion, Mr. Speaker. What that does for total revenue generated, Mr. Speaker — ;and I want to point this out so that the members opposite will recognize it — in 1981, government and farmer, the total was \$4 billion; 1984, I spoke about it before, total, government and farmer, 4.3, almost \$4.4 billion; 1987, total, \$4.3 billion. Those, Mr. Speaker, represent the total dollar value.

And what happened, Mr. Speaker, is that were the farmer was not able to generate the income, the federal and provincial governments have put into place programs that have been developed by this government, this Premier, and have provided that to rural Saskatchewan. And that, Mr. Speaker, is why the people of my constituency and all the way across this province voted for the Premier of this province, not because he did it once, but he did it over, and he did it over and over again.

And now, Mr. Speaker, in 1987, what have we got in 1988? We have not only one deficiency payment, Mr. Speaker, we have two, and chances are we probably will be getting another one. In putting this into context in dealing with agriculture as it relates to the funding that we've provided, which the NDP constantly forget, is that these programs are going today. They're ongoing. Our budget in this House represents precisely what I was talking about in delivery of 1988 programs. And that is continuing, and it will continue.

I am going to point some of them out because it is extremely important. Saskatchewan has about 90,000 people involved in agriculture — 63,000 roughly, farmers, and then we have those people who are interrelated with that farm family, constituting about 90,000 people. It is a very significant factor, Mr. Speaker, in dealing with how we have to assess this.

If you take those figures that I read for you, those 90,000 farmers, and split off that little over, just about \$1.2 billion that we got in aid in 1987, that's a fairly significant contribution that the federal government and the provincial government made to the province of Saskatchewan, and we will not allow the farmers in Saskatchewan to forget that. They ask over and over again: how much did the provincial government give?

When I travel around in my constituency, Mr. Speaker, I hear this over and over again. As people are filling out their income tax I say, how much did your farm produce? Well, it produced this amount of money. How much of that was assisted by the government assistance providing a benefit for that producer to continue operating? Some say 60 per cent; some say 40 per cent. Each one's a little

different but, Mr. Speaker, it is there. We are walking together with these people with cash. It's not that we're doing this in some ambiguous kind of way.

Mr. Speaker, as we're discussing this very issue here today, the federal Canadian Grain Commission has announced that \$130 million will accrue to Saskatchewan because of an increase in initial price. We have western grain stabilization coming into play, which is also a part of developing a program. And it is, Mr. Speaker, delivered by the province of Saskatchewan and delivered by the involvement of our Premier with the federal government.

And mark my words, I can recall, Mr. Speaker, being a producer through the '60s and the '70s, and dealing with the kind of administrative philosophy that was represented by the people opposite in Saskatchewan and in Ottawa. And I know for a fact, Mr. Speaker, that they did not deliver the way we deliver today. In fact, it was quite the opposite. And I want to make sure that the people of Saskatchewan clearly understand that because it is very, very important.

What is the . . . Let's talk about the commodities in grain and see what they have done over the last few years: 1980 to 1984 the average price of a tonne of wheat was \$184 a tonne; 1985 it went on to 143; 1986 it went down to 125; 1987 it was 98; and it's lower than that today.

And that, Mr. Speaker, combined with the delivery of the focus of the total revenue of the producers of Saskatchewan, combined with the amount of money that Saskatchewan and the federal government put into agriculture, provided for that delivery of that equivalent to almost equivalent to what they earned in 1984.

That, Mr. Speaker, has to be recognized by the people opposite and people who support that thought pattern. And I believe, Mr. Speaker, that they're totally wrong. They don't understand agriculture, and they don't even begin to perceive the real ideas that farmers have, that cattlemen have, and hog producers. They have no idea what the whole thing is about.

Now, Mr. Speaker, I'm sure that **Hon. Members** across the way have discussed on many occasions the values or the pluses and the minuses of our programs, and they must have been . . . had some convoluted idea of how to address the \$25 an acre and change it from something that was a positive in 1986, that was absolutely the best thing that we could have done for the producers at that time.

That, Mr. Speaker, was the beginning of when the federal government began to realize the value of what they had to pay to us in deficiency payments. That, Mr. Speaker, was extremely important because that set the tone for what they would be providing to us.

And, Mr. Speaker, the Premier here has mentioned this over and over again, and I will reiterate it. We earned those deficiency payments to the province of Saskatchewan without turning the key in our combine. Without any kind of effort, we earned that. We had the benefits accrue to western Canada, and that, Mr. Speaker,

is really, really important. And I think that we owe to our Premier, who has travelled throughout this country bringing goodwill to the people of Canada so that they understood and that they did not . . . that it did not negatively affect the people in other places in regards to wanting to deliver to the people of Saskatchewan because they were producers of grain and the livestock industry. I think it's extremely important.

(1645)

Mr. Speaker, we took the \$25 an acre loan and extended it over 10 years. Mr. Speaker, I want to say that I believe the only problem that we had with the delivery of that program in extending it to the 10 years was the misconception that was provided by the Leader of the Opposition, the member from Riversdale, when he spread these kinds of rumours across the province. And I believe that he was in error. I believe he did the wrong thing. In fact, Mr. Speaker, the producers who followed his lead and said they were not going to pay, in fact, Mr. Speaker, are penalized. And he caused that problem to develop on those producers when he delivered the message that was in error. And I believe that that's wrong, Mr. Speaker. I don't do that to the producers in my constituency, and I hope that he would not do that again.

Then, Mr. Speaker, I want to just deal with a comparative . . . Mr. Speaker, I want to deal with a comparative assessment of a copy of an article I read in the *Grainews* magazine. It deals with the different kinds of budgets that we have in western Canada and it deals with, "Manitoba farm budget dwarfed by Saskatchewan and Alberta." And I just want to compare the Manitoba with Saskatchewan. The Saskatchewan total budget, '85-86, '86-87, \$134 million compared to Manitoba's \$70 million, and that, Mr. Speaker, is put together with the amount of volume of dollars that the federal government gave. And, Mr. Speaker, that demonstrates in a very clear way that the people of Saskatchewan were well served by this government.

I want to go on to some other programs that we've dealt with that show that we are aware of what the farm debt in Saskatchewan is all about. Let's deal with the reduction of costs. As we reduce costs, Mr. Speaker, we give an opportunity for producers in Saskatchewan to have a better income, and that is extremely important. And we've had the member from Yorkton discuss these in a number of ways, and I want to reiterate some of them and then I also want to add to that list.

There's the farmers' oil royalty refund. And, Mr. Speaker, we have said that we wanted to deliver the most cost-effective way of delivering a program. We went out there and we said, okay, the producers, you get a number at your retailer or your wholesaler and you can have that opportunity to get a reduction in your fuel and the tax that normally is paid on it. And, Mr. Speaker, this was followed up. When our Premier sat at the premiers' conference in, I believe it was Halifax or St. John's, and he said to the Prime Minister, he said, Mr. Prime Minister, it is very difficult for the producers of Saskatchewan, who are in difficult times when they drive their tractor around the field, that when they see the increased taxes on farm fuels come into play, it is very, very difficult for them to

realize that they should be taxed, because they are already in difficult situations. And that, Mr. Speaker, led the federal government to have a rebate on taxes to the people of Saskatchewan. But not only to the people of Saskatchewan — that helped the people in Manitoba; that helped the people in Alberta.

And I know, Mr. Speaker, as sure as I stand here, that the Premier of the province of Saskatchewan has a very, very important message to deliver to the Prime Minister of Canada each time he talks. And I believe that is very, very valuable. And I want to just keep on with some of the things that we've been dealing with.

Farm purchase program. I heard the other day that members opposite were saying that we cut it off. But if you take and look in your blue book, you will find the farm purchase program mentioned there, because, Mr. Speaker, that was a five-year program, and all those people who applied last year will go on for four years. And that, Mr. Speaker, has a significant impact.

I don't recall the number in this year's blue book, but last year's was \$19 million, and that, Mr. Speaker, is almost 25 per cent of what their whole agriculture budget was in 1981. And I believe, Mr. Speaker, that we are providing to those producers who really want to expand their production, an opportunity.

Let's take a look at one of the features that is unique to Saskatchewan. It's called the livestock cash advance program. Here, Mr. Speaker, for the first time in Saskatchewan's history have we had an opportunity as livestock producers — whether it's pork, sheep, cattle, any of these — where we have had an opportunity to deal on an even basis with the grain producers in Saskatchewan. And that, Mr. Speaker, is very, very important for the livestock industry in Saskatchewan.

It does, Mr. Speaker, a number of things. That program was introduced when we had a serious problem in drought in the south-west. That made people realize that we needed to put together a herd, whether it was hogs or whether it was livestock, that would deliver a program to maintain that herd. And that's what it did, Mr. Speaker, and it did it very well.

Now we have, through the past three years, dealt with this issue in different formats, and nowhere, Mr. Speaker, have we ever had people say that it was not a good thing to do. That is extremely important, and I believe, Mr. Speaker, that it's definitely the way that we should have gone. It's, in my opinion, a real important feature.

Then we have something that I believe is necessary too, Mr. Speaker, and that's the livestock tax credit. It is important for us, as livestock producers and hog producers, to be able to encourage the development of the industry. Mr. Speaker, the development of the industry occurs because of various kinds of reasons. The industry in livestock is directly related to the price of the feed; it's directly related to the cost of money; it's directly related to the benefits, the profits, that can accrue to that industry.

And nowhere is the cow or the hog any more important

than when people are planning their taxes. For years, Mr. Speaker, the cow has represented a deferral of taxes, the hog has represented a deferral of taxes, and now, Mr. Speaker, the opportunity to do that on that livestock that is fed to finish, it can be done right here. And I think that that's really of benefit to the producers of Saskatchewan.

Next, Mr. Speaker, you'd think that through the history of the NDP they would have picked up on some of the things that were driving the livestock industry in other provinces. And I would have thought that through the years they would have been able to pick something like that up. For example, Mr. Speaker, in Alberta they have had the feeder association guarantee program for at least 40 years — I think it's up to 44. However, Mr. Speaker, not any time in the history of the livestock industry in this province or that province of Alberta, did they ever bring that program into Saskatchewan.

And what we have in fact, by doing that and authorizing that through cabinet, we have begun to establish these associations that have a guarantee by the provincial government. And that, Mr. Speaker, is going to be the driving factor in developing the feeding industry in the province. I believe it. I know it's real. We have over 40 of these today and I believe that that's the way it's going to go. As we expand the opportunity in our livestock industry, we are going to, Mr. Speaker, see this program develop more and more, and more and more producers are going to become involved in it. I believe it's the right way to go.

We can talk about a delivery of a program and I can recall discussing the issue of natural gas and in my part of the country when I talk about the drilling of oil wells and natural gas wells, it becomes a very important feature in my part of the country. As I listened to the ranchers talking in the sand hills and through the west side of my seat, I constantly heard the report that this well was capped and that well was capped and I would begin to ask the question, why? Mr. Speaker, did you know that most of those were gas wells that were capped. They were sealed off. They had discovered not oil but gas. They were capped off waiting for a day when an opportunity would come so that they could deliver to the people of Saskatchewan. And that's what we did, Mr. Speaker. What we did is gave an opportunity for rural Saskatchewan and small town Saskatchewan — we often forget that, Mr. Speaker — that we delivered an opportunity to them to lower their costs.

I was speaking with an individual who lives on a farm, just this winter, and he indicated to me, he lives down at Neville. He said to me, he said, I had a gas meter on my house during the time when it was colder — we had about two weeks of cold weather this winter. And he said, I had it on there for eight days and my fuel bill cost in natural gas was \$17. Now, Mr. Speaker, if you would have taken that same house and the same period of time, the same energy requirement and put diesel fuel into there, it could have been four times as high. That, Mr. Speaker, is a direct saving to that producer, and we can do that on thousands and thousands of producers in the province of Saskatchewan. Plus, Mr. Speaker, that one item has delivered a job creation program all over this province. That's, Mr. Speaker, why we do those things:

they reduce the cost.

Here is a very, very important feature, Mr. Speaker, in this issue: what does it take to run our halls, our community halls, our rinks, our town halls — all those various things where you and I go and get donations from? We go to the people to get donations to supply that. When these kinds of facilities, that are community-run facilities, have an opportunity to lower their cost, what does that do to the volume of dollars that they have to collect? Mr. Speaker, that reduces that in a very substantive kind of way. And that is a reduction, and it provides to the people of the community the right kind of development structure. It cuts the cost. It makes a better place to live in rural Saskatchewan, and that's, Mr. Speaker, why people vote Conservative in this province in rural Saskatchewan.

And I will continue to tell you, Mr. Speaker, that they will continue to vote as long as we deliver those kinds of things. They are being delivered this year, next year, and last year, and in the years to come, because this government believes in those kinds of programs.

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

**Mr. Martin:** — Mr. Speaker, I have a whole lot more that I could say about this very issue, and I know that. I have issues here that deal with the things that the federal government has done on western grains stabilization; I have issues here dealing with free trade, and I could go on and on, Mr. Speaker, but I now move to adjourn debate.

Debate adjourned.

Hon. Mr. Andrew: — Mr. Speaker, I move the House do now adjourn.

The Assembly adjourned at 5 p.m. under protest and on division.