

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
May 13, 1983

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

WELCOME TO STUDENTS

Mr. Hampton: — Thank you, Mr. Speaker. Mr. Speaker, it's with pleasure that I would like to introduce to you and to this Assembly a group of 36 grade 8 students from Preeceville School in my home town. They're accompanied by Mr. Bill Gerla, their teacher, Mr. Lawrence Maksymiw, the principal, Mr. John Mills, Mrs. Carol Preston and Mrs. Olive Pottle. I welcome the students to the snow capital of Saskatchewan.

I'd like to tell you that I will be meeting with you at about 11:15 this morning in the rotunda area for pictures, after which we will be going for refreshments.

I hope you enjoy your stay here today and I hope I'm ahead of your bus going home. There's enough there; they can push me through. Thank you, Mr. Speaker.

Hon. Members: — Hear, hear!

QUESTIONS

Government Position on Pepin Plan

Mr. Engel: — Mr. Speaker, I have a question for the Minister of Agriculture. Several days have passed since the introduction of Pepin's legislation. Has Allen Gregg had time to complete the polling for you so that you've been able to figure out what your position will be on the Pepin plan that's now before parliament? Will you tell the farmers of Saskatchewan that: number one, are you going to fight this bad legislation with everything you've got; or, number two, are you going to join with the Trudeau Liberals in negotiating away the Crow rate?

Hon. Mr. Berntson: — Well, firstly, Mr. Speaker, it should be clearly understood that if we did call in the services of one Allen Gregg you can bet your biffy that it would be sound and sage advice, as it was in B.C., and Saskatchewan and Bermuda, and Nova Scotia, and Ontario, Prince Edward Island and Ontario and a few others. But we didn't do that, Mr. Speaker, no. What we did instead as to consult with the producer organizations, the farmers of Saskatchewan, as to the impact of the tabled legislation. Last Tuesday I believe it was tabled. We, on Wednesday, got a copy of that legislation. We've done an analysis of that legislation and I think, had you communicated with your House Leader this morning, he has an agenda of today's . . .

An Hon. Member: — No, we haven't.

Hon. Mr. Berntson: — . . . should have had. Check with your staff people. The agenda, in any case, Mr. Speaker — and if you don't have it, it was inadvertently missed, Mr. Speaker — but the agenda sets out that there will in fact be a statement today by the Hon. Eric Berntson, relative to the federal Crow legislation.

Mr. Engel: — Mr. Speaker, the minister didn't ask the question. Are you going to fight this legislation, or are you going to help the Trudeau Liberals to negotiate away our Crow rate? What has your detailed review of the legislation told you about the legislation that you didn't already know last week?

Hon. Mr. Berntson: — Mr. Speaker, if patience were a virtue the hon. member that just sat down would be the most lustful individual I've ever met in my life. I've just told him, Mr. Speaker, that I will be making a statement following question period. I think immediately following oral questions there's an item under routine proceedings that says: ministerial statements. When we get to that I'll be making a statement relative to the federal legislation.

Government Response to Opposition Questions

Mr. Shillington: — Thank you very much, Mr. Speaker. A question to the Premier. I have a report of an interview with a member of the government caucus, which everyone thought a joke until you elevated it to the level of a serious problem. It's a report from the Moose Jaw *Times-Herald* interview with the Conservative MLA from Moose Jaw South, and I'll quote for your benefit very briefly. It says:

As for opposition charges that the government is being arrogant by refusing to answer questions, Smith says, it's a function of those in power not to give full answers to the opposition on issues.

In light of these recent events, I ask the Premier: was the member for Moose Jaw South expressing the position of your government when he says that it's not your job to tell the whole truth?

Hon. Mr. Devine: — Mr. Speaker, two observations: one, I can't really comment on the accuracy of the press statement — it may or may not have been accurate; second, I don't know in what context it was made. But, third, with respect to information that the opposition or the public may ask about government operations, clearly very much of the information is public and that is carried on in terms of estimates and question period and so forth. But much of it, as the hon. member knows, and he's been a minister, is not.

We are in negotiations. I believe the Attorney-General can vouch for this. We're trading and negotiating on probably 60 to 70 to 80 different items alone with the federal government from time to time or at one time. And it would not be in the public's best interest to share that intimate information about the province of Saskatchewan or about the agreements, whether it's on environment or education or agriculture or water or whatever it may be. And the member, if that's what he did say, Mr. Speaker, is absolutely correct that much of the information — I'm sure the hon. member knows this when he was a minister — is not public all the time, because you're in some very serious negotiations with other jurisdictions and other administrations and private participants who do not want to have information revealed. So it's clearly a balance.

We have a very open administration. We now have television in the legislature. The whole world can see and listen and react to the questions. We provide all that information. Public accounts is now open. So I would say that with this administration there is open government, but that doesn't mean everything is public, because clearly we want to do what's best for the province of Saskatchewan in dealing with all kinds of

issues and all kinds of jurisdictions.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Well, Mr. Speaker, new question. I want to ask in fact the same question again. The member from Moose Jaw South did not appear to have been talking about freedom of information. The member from Moose Jaw South appeared to have been talking about the function of a government shading the truth so that the opposition does not get a full answer. He was not referring to no answer; he used the word 'full' answer. My question to the Premier is: do you agree with the member from Moose Jaw South, or disagree?

Hon. Mr. Devine: — Well, Mr. Speaker, it is quite difficult for me to comment on what the hon. member says appears to be the position of an individual. I could say that, from my recollection, it would appear to be that the former administration didn't give very much information when they were nationalizing the potash mines. People would ask for that. They didn't appear to give very much information when they would be buying oil property, or in terms of SGI, or in terms of many other things that they may have been buying or nationalizing. People asked; all kinds of people asked, but there was no information, because it was something that the government was doing in terms of this secret purchase.

So, Mr. Speaker, I can only comment and reiterate what I've said before: much of what goes on is public, and the estimates are public, and the information is provided; but much isn't, and the former member knows as well as anybody else that that's the case.

Mr. Shillington: — New question, Mr. Speaker. I'm going to read the quotation for you one more time. 'Smith says it's a function of those in power not to give full answers to the opposition.' Question, Mr. Premier: should the government be telling the truth, or half-truth?

Hon. Mr. Devine: — Mr. Speaker, this government, and the members of this government, always tell the truth in this Assembly.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — And they will continue to tell the truth in this Assembly — every single member. I have nothing more to add with respect to a member of this legislature saying that not all information is public. Anything that is public with respect to estimates and departments and so forth is public and we will be, and continue to be, a very open government, open administration. Some things aren't and the hon. member knows that. For the defence and the protection of Saskatchewan interests when we're in negotiations with all kinds of different jurisdictions and private companies and other governments, it won't be public until it's in the best interest of the public, and they expect that.

Tabling of Letter re Lake Diefenbaker Pipeline

Mr. Shillington: — A new question, Mr. Speaker, to a new minister — this time for the Minister of Urban Affairs. Yesterday in this House, Mr. Minister, you claimed that you sent a letter off to Ottawa which warns them that Saskatchewan will soon be coming forward with a formal application out of a special recovery projects program. You'll understand that given the events of the last few days we want confirmation of

these things as soon as we can. I would ask the minister, are you prepared to table your letter to the federal government before the end of the day?

Hon. Mr. Schoenhals: — Mr. Speaker, I indicated yesterday that the letter had been sent. The letter has been sent. I see no reason to table the letter.

Mr. Shillington: — Why not?

Hon. Mr. Schoenhals: — Mr. Speaker, as has been indicated, we are in a complex negotiating position with the two cities at the immediate time. We hope, and intend, to be in an even more complex negotiating position with the federal government in very short order, hence the letter would serve no purpose and is part of that negotiation. So, as the Premier has simply indicated to you three or four times, when it's in the public interest and we have an answer, we will let you know what the information is.

Mr. Shillington: — Well, Mr. Minister, that's not what you said yesterday. What you said yesterday was that you had no formal proposal before the federal government and this letter was warning them that one was coming. Now you tell us that you are negotiating what I assume is a proposal. Now which is it? Do you have a formal proposal before the federal government that you are negotiating, or was your letter, as you said yesterday, simply warning them that one might come sometime in the future?

Hon. Mr. Schoenhals: — Mr. Speaker, we have presented to the two cities a formal position. They have responded with a formal position. We will be meeting next Friday when Mr. Schneider returns in order to negotiate those two positions. Those two positions in fact are public. We have had contact at a number of levels with the federal government, as I indicated yesterday. The Minister of Finance has talked directly to the federal Minister of Finance. We have sent a letter indicating that we will be coming to them with a proposal — a specific proposal — and consequently we are in fact in a negotiating position with the federal government, with the cities, and I think that's the answer to the question.

Mr. Shillington: — Supplementary, Mr. Minister, if you are at some point in time coming to them with a proposal, how can your letter be construed as part of the negotiations? Surely if you haven't got a proposal before them, you can't be negotiating it. I ask you again, Mr. Minister: do you have a formal proposal before the federal government, and if not, why won't you table the letter telling them that one's coming?

Hon. Mr. Schoenhals: — Mr. Speaker, the previous administration sat on this problem for the total time of their administration. In a short year we have moved dramatically, I would say, towards a resolution. The letter is in fact a part of the negotiations that are, and will continue, to take place as we move towards resolution of this problem, and consequently I don't see any need to table it. When the information is available, when we have a final answer, we will certainly make it public.

Liquor Board Pricing Policy

Hon. Mr. Blakeney: — Mr. Speaker, I'd like to direct a question to the minister in charge of the Saskatchewan Liquor Board. Yesterday I had asked a question and because of time restraint had not had an opportunity to ask supplementaries. As I recall the minister's answer, he advised me that the liquor board would no longer be negotiating with the breweries, and he represented this as being part of a business

arrangement. Can the minister explain what sort of business carries on its affairs by agreeing to the price that the vendor sets and not in any way bargaining the price which the vendor sets when buying the products?

Hon. Mr. Sandberg: — Mr. Speaker, I explained to the Hon. Leader of the Opposition yesterday that this policy is consistent with the treatment given to other suppliers of alcoholic beverages in this province. The suppliers of spirits set their price; the liquor board adds their mark-up. The suppliers of wine set their price; the liquor board adds their mark-up. So this is consistent with the treatment given to other suppliers of alcoholic beverages in this province. And we feel, being an open government and believing that the market-place should determine the price of the product, give the same treatment to the breweries of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Blakeney: — Mr. Speaker, a new question to the minister in charge of the Saskatchewan Liquor Board. Mr. Minister, with respect to spirits, there are literally dozens of suppliers of spirits in the world, very few of whom are located in Saskatchewan, and accordingly the liquor board has little interest in knowing whether they buy barrels or Dewar's Scotch Whisky. We have a great interest in knowing whether we're buying Bohemian manufactured in Prince Albert or Calgary beer manufactured in Calgary. There are only three breweries in Saskatchewan. We want to buy their product. Are we going to allow them to set the price or are we going to bargain as any normal buyer would bargain when he was buying a product?

Hon. Mr. Sandberg: — Mr. Speaker, I would reiterate that this move is in line with the government's overall policy to reduce the amount of interference in the market-place in Saskatchewan — interference that that government carried on with for the previous 11 years and I don't know how many years before that. That's not our philosophy; that's not the way we carry on business here.

Under this new system, the breweries will be able to decide what price to sell their products to the liquor board, with the board applying their mark-up on the product. That's simple. The breweries will be able to compete for the customers based on price, which was not possible before. And as I indicated to the Hon. Leader of the Opposition yesterday, it's a system that Manitoba's going to. So if your New Democratic brothers in Manitoba think it's good enough for them, why isn't it good enough for the province of Saskatchewan?

Hon. Mr. Blakeney: — Mr. Speaker, a supplementary. Do I understand the minister to say that the operations of the Saskatchewan Liquor Board are going to be on the basis that they will do no negotiating for price with products that they buy, and that their role is simply to accept any price dictated by a supplier, or three suppliers in the case of three breweries in Saskatchewan; and to pass along that price to the customers of the Saskatchewan Liquor Board?

Hon. Mr. Sandberg: — Mr. Speaker, the breweries of Saskatchewan realize that if they put their price, the price of their product, way out of line that no one is going to buy it. The consumption of beer is down substantially in the province of Saskatchewan; it's down right across the country. Common sense would dictate that the breweries are not going to put the price of their product out of line, or the people of Saskatchewan are not going to purchase it. So it's the market-place that determines what the price is.

Hon. Mr. Blakeney: — Supplementary — I was going to say to the minister of revenue, supply and services but they don't appear to be here — I'll ask the Minister of Finance. Supplementary to the Minister of Finance. A new question to the Minister of Finance, perhaps, because I need a short preamble.

The minister has made clear that he proposes to simply accept the price that the breweries offer, and that the liquor board will not bargain price. As some other hon. member said, 'Just like automobiles.' My question is: is this government proposing to buy its automobiles on the basis of taking the price which any care dealer names and paying it, or any car manufacturer pays and naming it, or are they going to bargain price and try to get the best price for the people of Saskatchewan?

Hon. Mr. Andrew: — Mr. Speaker, I don't believe that the analogy drawn by the Leader of the Opposition is a valid analogy. Obviously the purchasing policies of the Department of Supply and Services will be to provide, or to purchase the product for the province of Saskatchewan, the supplies for the province of Saskatchewan, at the best possible price. With the caveat, of course, Mr. Speaker, is that given the situation across the country now, we would always like to see that product being purchased as much as possible from Saskatchewan business people; and the reason for that, of course, is that we would like to see the businesses in Saskatchewan gain from that government services. The minister, I take it, has made some announcements with regards to changes in some of the policies with regards to the government, so that we provide perhaps an equal benefit to many of the small businesses in Saskatchewan so they can compete, in fact, with the purchases of products by the Government of Saskatchewan. With regard to the open pricing system, I certainly don't want to say anything more than the minister has said. It is a policy clearly that is being developed across the country. The breweries know the situation with regard to the consumption of beer. It is our view that they certainly are not going to try to price that product higher and higher with regards to eliminating the sales. The only thing I could add to that as the Minister of Finance (and I'm sure the Leader of the Opposition would not be critical of me) is that the province of Saskatchewan would tend to continue to like to have a small bite on any of the spirits and beer that is sold in the province of Saskatchewan. We think that is an excellent way to raise revenues, clearly a policy that we would continue, and perhaps we might even increase in some future time.

Hon. Mr. Blakeney: — Mr. Speaker, a new question to the minister in charge of the Saskatchewan Liquor Board. The Minister of Finance has made rather clear that he assumes that it's the obligation of the Government of Saskatchewan, when buying automobiles from three main suppliers or their dealers, to bargain to get the best price possible for the people of Saskatchewan. Why does the minister in charge of the Saskatchewan Liquor Board believe that it is not the obligation of the Saskatchewan Liquor Board to bargain to get the best price possible for the people of Saskatchewan from the three main suppliers of beer in this province? Why does he feel that that ought to be totally open where his colleague, the Minister of Finance, agrees that his obligation and his colleague's obligation is to bargain to get the best price for automobiles?

Hon. Mr. Sandberg: — Mr. Speaker, it's quite clear that the bargaining will go on between the breweries. If I may quote from an item from the *Leader-Post*, referring to the Manitoba position in regards to open pricing. I'll quote a paragraph:

But both brewery A and brewery B plan to drop prices. Brewery B, on its light beer will drop its charge for a 12-pack by \$1. Brewery A plans to drop so many cents from the price of its product.

It's quite clear that the competition between the breweries will keep the prices down. If the public of Saskatchewan thinks the price of that product is too high, they won't buy it, Mr. Speaker. The breweries will then be forced to keep their prices down. That's what the open market-place does and that's what socialists don't understand, Mr. Speaker. They believe that government should control everything. They believe that they should buy up all the industries of the province. I didn't want to buy . . . I didn't want to own Intercontinental Packers when I was living in Saskatoon. I'm still living in Saskatoon — partly in Regina. And the competition, Mr. Speaker, will keep the price down.

Renovations of Ministers' Offices

Mr. Lingenfelter: — Mr. Speaker, my question is to the minister of government services. It has to do with orders for return nos. 15 and 47, which indicate for the last six months your government has spent more than \$30,000 in renovating ministers' offices in the Legislative Building. I wonder if, in general terms, you can explain to me what kind of renovations that might be, to run up a bill of \$30,000 in renovating ministers' offices in the first six months.

Hon. Mrs. Duncan: — I believe, Mr. Speaker, that the renovations to the ministers' offices are part of the total regeneration of the building. It's a 10-year program. We're in the sixth year of a program. It's just a general upgrading. I might add that I think that \$30,000 that we've spent since we have taken office pales in comparison to the renovations that went on to one minister's office for furniture totalling I think in the neighbourhood of \$15,000 — I think one of them here today.

Mr. Lingenfelter: — Mr. Speaker, supplement to the minister. She . . .

Mr. Speaker: — Order, please. Give the member the opportunity to ask his question.

Mr. Lingenfelter: — Mr. Speaker, it was a little difficult hearing myself ask the question, but the question remains. And if the minister would mind answering it, what renovations and what furnishings were done in the offices to amount to \$30,000 in the first six months? Can you give me a list of the desks or items that were purchased to add up to \$30,000?

Hon. Mrs. Duncan: — Mr. Speaker, I'll be pleased to supply the hon. member with that information. It'll take me just a little bit of time to compile it all. But yes, I will . . . I'll report back to the House.

Multimodal Station in Regina

Mr. Shillington: — A question to the Minister of Urban Affairs. Mr. Minister, in the last session, when the noise wasn't quite as bad and we could hear each other . . . Mr. Minister, in the last session I recall questioning you on the multimodal station in Regina. I recall your response at that time being one of reservations about the multimodal station, but still having the matter under discussion. Nothing has been heard now for six months. Is it fair to assume, Mr. Minister, that the multimodal station in Regina can now be considered dead, another victim of a Tory wrecking crew?

Hon. Mr. Schoenhals: — Mr. Speaker, I have a little problem understanding how the member opposite can say that nothing has been heard on multimodal in the last six months, considering the fact that the *Leader-Post* is their major research agent. There

was an article last week indicating a number of steps that were being taken in terms of multimodal. And the answer to your question is, quite simply, no.

Mr. Shillington: — Well, perhaps you'd be good enough to . . . Last fall you were . . . The matter was before CIC to determine whether or not the program should go ahead, if my memory serves me correct. Perhaps you could report to the House on something more than your ongoing guerrilla warfare with the media. Perhaps you could go on and tell us what CIC is doing about the project, or your department.

Hon. Mr. Schoenhals: — As briefly as I can, Mr. Speaker, CIC reported back — presented a couple of options. We presented those to VIA. They rejected those. I have suggested since that in order to facilitate the thing and reach some type of resolution on it, it might be a little more intelligent — again, a question of reorganization — if the discussions took place directly between my colleague, the Minister of Highways, and the STC board. It seems like a rather obvious step to eliminate that middleman, which is really all the Minister of Urban Affairs was in the previous administration — is now. So we took that step. We have made moves through my other portfolio to begin considering and in fact begin the process of designating the Union Station as a heritage property. We feel that is an essential aspect and that it certainly qualifies as a provincial heritage property.

We have also indicated that we would be interested in exploring alternate uses, if and when in fact multimodal does not take place. But multimodal is being considered now between the Minister of Highways and Mr. Murray from VIA.

MINISTERIAL STATEMENTS

Executive Council Staff Changes

Hon. Mr. Devine: — Mr. Speaker, because I am leaving the province today for a couple of weeks and because some people may be interested, I thought I would provide this information.

The deputy minister of Executive Council will be stepping down the end of the month. He will be performing other responsibilities for the government with respect to trade, particularly in the United States, Europe and various other places in the world. The Clerk of the Executive Council will become the acting deputy minister and hopefully, Mr. Speaker, to prevent any future confusion or difficulties, he will be responsible for the information regarding Executive Council estimates.

And finally, Mr. Speaker, neither of the two individuals will receive the 6 per cent salary increase.

Hon. Mr. Blakeney: — Mr. Speaker, I'll make a brief reply. I assume that the comments by the Premier mean that the deputy minister of Executive Council, Mr. Bedson, will no longer be located in Regina and that he will be assuming duties elsewhere. I speculate that he will be located in London, as a base, but we may well be wrong on that. It would have been helpful if the Premier had indicated whether or not Mr. Bedson will be a roving ambassador located in Regina, or at some other location.

With respect to the Clerk of the Executive Council, Mr. Smith-Windsor, being appointed the acting deputy minister, we are pleased to have that information and we

noted with interest the arrangements with respect to salary increases for the two officials named. We will note with interest whether or not they and/or all other members of the staff of the Premier will continue to be on staff, or whether or not other arrangements will be made.

Crow Rate

Hon. Mr. Berntson: — Mr. Speaker, over the past weeks our government has been conducting a campaign on behalf of the Saskatchewan farmer, the Saskatchewan people and Canada as a whole. Our campaign has been rational, constructive and positive. It has been aimed, Mr. Speaker, at correcting what we believe are glaring flaws in the federal government's plans to abolish the historic Crow rate for grain transport and substitute in its place an entirely new, untried freight rate mechanism. Believing that as Canadians we were all in this together, we not only took Saskatchewan's interests into consideration in analysing the federal proposals but the interests of all Canadians, no matter where they lived or what they did for a living. Our stand, Mr. Speaker, is well known. Based on initial plans by the federal government announced in February, we concluded that within one decade the net income of our farmers would be drastically reduced. In fact, our analysis shows the cut in income from the proposed new freight rate levels would be so drastic that many of our farmers would not be able to afford the input costs necessary to operate their farms. Furthermore, the ability to grow and market the grain has been such a boost to our national economy in recent years would be severely hampered.

Let me put this into perspective, Mr. Speaker. Last year our farmers sold some 27 million metric tons of grain on the export market and brought into this nation some \$6 billion. If our farmers can't afford to grow grain in such volumes and ship it through an efficient transportation system and grain handling system, the ramifications to this nation can easily be seen. No Canadian, no matter where he or she lives or what he or she does for a living, will escape the ripple effects of such a serious impairment to our national economy. The textile worker in Quebec will suffer, the worker on the automobile production line in Ontario will suffer, the fisherman in the Maritimes will suffer, and so will the fruit farmer in British Columbia.

These truths are, as they say, self-evident. At least our government thought they were self-evident. We offered the federal government alternative suggestions. We make no apologies as a provincial government representing first and foremost the people of Saskatchewan for defending the interests of Saskatchewan farmers. However, I should stress that our suggestions and proposals were reasonable and not made only with our own province in mind but with the economic health of the entire nation. Our proposals were aimed neither at promoting the narrow interests of a special interest group, nor did we capitulate to any particular lobby.

We expected a similar stand, Mr. Speaker, from the federal government as it reviewed its own initial proposals and considered our suggestions. Sadly, Mr. Speaker, a preliminary review of the federal proposals, as tabled in the House of Commons on Tuesday, May 10th, showed this not to be the case. The legislation is a hodgepodge of ideas and concepts — if, buts, and maybes — attempts to mollify this group or that area and hastily conceived in an attempt to meet some completely artificial deadline. It is a maze within a maze; it has loopholes within loopholes. It is almost completely incomprehensible, Mr. Speaker. It is a house of cards that will collapse from its own weak foundations and faulty architecture. It will become a political and bureaucratic nightmare.

When our government reviewed the initial proposals from the federal government on this matter in February, we thought nothing could be worse. How much we underestimated that government, Mr. Speaker. The federal government has turned its back completely on the real world. It has produced something that is completely unworkable. It has produced something that is very, very dangerous; and knowingly, it has drawn up a scenario that will wreck Saskatchewan's economy, and seriously damage the Canadian economy. The political ramifications from this will come home to haunt Ottawa for years to come. The federal government pretends it has drawn up a masterful piece of legislation that will herald a new age of prosperity for all Canadians.

The truth is that the federal government hasn't drawn up a masterful piece of legislation, and to suppose for one second that the legislation will herald a new age of prosperity is a pipe-dream of the most foolish kind. The reverse is true, Mr. Speaker. The legislation is bad and riddled with flaws. Prosperity will be seriously eroded rather than enhanced by this legislation.

Let me point out some of the flaws, Mr. Speaker. First, there is virtually no economic benefit whatsoever for Saskatchewan in the new proposals. There is nothing that will fundamentally enhance agricultural processing in this province. Second, there are no real guarantees or penalties to ensure the railways will carry out their investment plans, or meet performance commitments on a day-to-day basis. Third, there are loopholes that will allow the railways to impose hidden costs on shippers above and beyond the base rate. Railways will be in a position to manipulate charges by stop-off cross-switching costs, and a dozen more other technical ways.

There are no real guarantees the proper number of grain cars will be on hand at the right time, at the right place, and this poses a real possibility that our farmers will suffer lost sales through no fault of their own. There are loopholes that will enable the railways to pass on to the grain farmer costs not actually incurred by the shipment of grain. Deferred maintenance costs are one example, and there are others. The 31.1 million metric ton lid on grain that can come under the program remains. This is a huge disincentive to our farmers, who on the one hand are told to be more productive, win more export dollars, and on the other hand told if they do, they will be penalized for it.

There is no firm commitment to bringing in a full range of special crops under the program. Again, on the one hand, our farmers are urged to diversify. On the other hand, they are told if they do diversify they better not count on Ottawa. There is a real possibility that the federal government will be eventually able to ease out of its commitment on paying the Crown benefits. I see a number of loopholes here. If the federal government does ease out of paying the benefits, the burden will fall on our farmers. This simply cannot be allowed to happen. Freight rates, Mr. Speaker, under this proposal will be set by Ottawa bureaucrats. This means there will be no statutory rate. The establishment of a senior grain transportation committee, as outlined in the legislation, does not allow proper representation by Saskatchewan. In fact the senior grain transportation committee, Mr. Speaker, will serve the interests of eastern consumers, shippers, railroad companies, but not the interests of the prairie producer. The question of method of payment has been handled in an arbitrary manner, Mr. Speaker, and faced with the absence of any real consensus on this question our government believes that a reasonable compromise would have been the compromise advanced by the United Grain Growers — that being a 50-50 split, with review after '85-86.

Our rural communities are left exposed to economic devastation. No one knows how the exact rates will affect the rural communities. Their survival will be left in the hands of some far-off bureaucrats. They will be left in a no man's land, a world of economic uncertainty, Mr. Speaker.

In a nutshell, the federal government is telling us that there will be no statutory guarantees or safeguards for our farmers. There will only be increased costs and no real benefits to our farmers. Our farmers will lose their competitive position in the world market-place. The federal government is basing its plans on flimsy, theoretical objectives, rather than well-thought-out practicalities. There are no guarantees.

The truth is that the more one looks at this legislation, the more badly flawed one sees it is. It has been hastily drawn up, and the haste is seen in its inconsistencies. It is a piece of patchwork designed to appease some eastern groups. As such, it is a compromise to both common sense and fairness, Mr. Speaker. Above all, it is a piece of legislation this government could never support as long as we fulfil our duty to represent the people of this province and maintain our commitment to the well-being of this nation as a whole.

Mr. Speaker, this government rejects the Pepin plan as tabled. It is a very complex piece of legislation and requires additional detailed analysis, and when that additional detailed analysis is completed I will be prepared to share it with this House.

Some Hon. Members: Hear, hear!

Mr. Engel: — Mr. Speaker, on May the 4th, 'Western Transportation Bill to be Tabled' was a news release, dated no. 82-83 for release May the 4th, 1983. At that time I asked the minister: would he please state Saskatchewan's opposition to a transportation initiative? They say the Crow benefit will be paid entirely to the railways as grain transportation subsidy, and a link will be established. They talked about a few things, but nothing was said in there on the devastating effect it was going to have. The minister refused to put some emphasis on behalf of Saskatchewan's farmers and encourage Pepin not to introduce this legislation. He sat idly by, and today he still tells us what the devastating things are in the resolution, and I agree with that. He suggested that a reasonable compromise might have been a 50-50 split. I did not understand what the minister was saying in that regard. I'm perturbed about that.

Why doesn't this government get on the blower and inform their members in Ottawa, their colleagues, the MPs that are our federal opposition, to do everything in their power to prevent this bill from passing? I think what we've had before us today was a long and wordy explanation of what was in that bill, and nothing was in it saying what you are going to do, and how you're going to fight it. You're still going to wait for more analysis.

We have here a bill that is going to destroy the Crow rate. We have a bill before us that is going to make a sweetheart deal for the railways. It's exactly what like we've been telling you right along. Gilson announced the plan; Pepin made it even worse; and here we have a minister standing up and telling us what's bad about it, but doesn't suggest what he's going to do to prevent that bill from passing. I'm very disappointed in his action, Mr. Minister. He's been sitting on the fence. He left us with the information today that he's still sitting on the fence. He never told the farmers of Saskatchewan what you're going to do to fight the plan. I think this is very serious, Mr. Minister. Here we have a general that's gone and left the farmers on their own, and I think that's very sad news for Saskatchewan today.

INTRODUCTION OF BILLS

Bill No. 49 — An Act respecting Co-operatives

Hon. Mr. Berntson: — Mr. Speaker, I move first reading of a bill respecting co-operatives.

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

ORDERS OF THE DAY

STATEMENT BY MR. SPEAKER

Answers to Questions in Question Period

Mr. Speaker: — Under orders of the day yesterday, a point of order was raised by the member from Shaunavon, and I'd just like to give you a brief statement. I took time this morning to review the record, and I'd like to touch briefly on the situation as I see it.

Yesterday a point of order was raised regarding answers to questions in question period. In particular, a problem arose when the Premier answered one question, then, while still on his feet, offered an answer to an earlier question. While members should not object to receiving answers to their questions, I would like to advise all ministers that if they wish to present answers to questions for which they have taken notice, they should seek to be recognized by the Chair for that purpose. This will prevent the member's line of questioning from being interrupted and will facilitate a more orderly question period.

MOTIONS

Bill No. 38 — An Act to amend The Agricultural Incentives Act

Hon. Mr. Berntson: — Mr. Speaker, before orders of the day, I move, seconded by the Minister of Health, with leave of the Assembly:

That the order for second reading of Bill No. 38, An Act to amend The Agricultural Incentives Act, be discharged and the bill withdrawn.

Motion agreed to.

MOTIONS FOR RETURNS (Not debatable)

Return No. 111

Mr. Engel moved that an Order of the Assembly do issue for a Return (No. 111) showing:

(10) The total cost to the Government of the Agriculture Outlook Conference held in Saskatoon on February 7 and 8, 1983, and particulars of: (a) the cost of rental of facilities; (b) the cost of all meals, lunches and banquets provided; (c) the cost of entertainment at the banquet on February 7, 1983; (d) the cost of receptions; (e) the cost of expenses and fees for each speaker

at the conference; (f) other expenses. (2) the amount paid to or on behalf of each person who received or benefited from the payment of expenses by the Government of Saskatchewan or any of its agencies or crown corporations for attendance at the conference.

An Hon. Member: — Debate.

Return No. 112

Mr. Engel moved that an Order of the Assembly do issue for a Return (No. 112) showing:

A copy of all contracts and agreements entered into by the Saskatchewan Grain Car Corporation since its inception with railway companies or with the Canadian Wheat Board.

An Hon. Member: — Debate.

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

Bill No. 46 — An Act respecting the Consequential Amendments resulting from the enactment of The Department of Finance Act, 1983

Clause 1

Mr. Chairman: — Would the minister introduce his officials?

Hon. Mr. Andrew: — Yes, the officials are Mike Costello, ADM of Finance, and Gerry Kraus, comptroller.

Mr. Chairman, prior to proceeding with that bill, a question raised by the Leader of the Opposition respecting the remissions under \$1,000 — I have a House amendment to correct a drafting error to the effect that all remissions, whether passed by OC or not, shall appear in the *Public Accounts*. Therefore, no change in current practice as far as the *Public Accounts* are concerned; we will introduce the same amendment to correct the same error in the new finance act at the appropriate time.

Mr. Lingenfelter: — Mr. Chairman, my colleague, the member from Elphinstone, who will be taking this through, has just stepped out for a second and he'll be right back.

Hon. Mr. Andrew: — I might indicate to the Leader of the Opposition, with regard to the point raised with regard to remissions under \$1,000, that I have a House amendment to correct the drafting error — the \$1,000, all remissions whether passed by OC or not, shall appear in the *Public Accounts*, therefore no change to the current practice as far as *Public Accounts* are concerned; and that an appropriate change would also be made when the finance act comes before committee of the whole as well.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I will welcome that House amendment and I think no one wishes to argue the desirability of removing some of the

paper flow that flows across the cabinet table. I think the minister has accepted the proposition we put forward that when a minister of the Crown is forgiving a debt to the Crown, at least it should be published in some public document. He's going to do it in the *Public Accounts* and I think that should work.

Hon. Mr. Andrew: — I understand that the bill called was not in fact The Department of Revenue and Financial Services Act, but The Department of Finance Consequential Amendment Act. We're not proceeding with that particular act today, but with The Department of Revenue and Financial Services Act. So if we could make that correction here now, then we could proceed with that.

Bill No. 33 — An Act respecting the Department of Revenue and Financial Services

Clauses 1 to 5 inclusive agreed to.

Clause 6

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, with respect to generally clause 6 and the ones following under the heading, 'Duties and Powers of the Ministers,' is there any substantial change in the duties and powers of the ministers from the existing legislation?

Hon. Mr. Andrew: — No, and clause 6, I can advise, is the standard section being used in all bills. There is no intention here to extend the powers of the ministers at all.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, with respect to the duties and powers — and I could raise it under other sections but basically it has to do with duties and powers — there is a power to appoint advisers and advisory committees, and if they operate for a period of less than one year then no cabinet approval is necessary. Is it the policy of the government, with respect to these matters, to make available to the legislature the names of advisers to retained and the remuneration paid to them?

Hon. Mr. Andrew: — Well, I'm advised that anything in excess of \$10,000 would have to appear in the *Public Accounts*. The details would be there. Also, the opposition would have the opportunity to ask those types of questions with regards to estimates, so I think the mechanism is in place for an opposition, clearly, to find any of that information that they wish to have. So, from that point of view, I wouldn't see it as taking away any power from the Legislative Assembly.

Clause 6 agreed to.

Clauses 7 to 12 inclusive agreed to.

Clause 13

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, with respect to the board of revenue commissioners, is the board of revenue commissioners, in personnel, the same people as the Local Government Board? Has that custom been continued, or . . .?

Hon. Mr. Andrew: — It is our understanding that it is. It's not an area that we've looked to change, but I could undertake to confirm that to make sure that is in fact correct. I believe it's . . . The Local Government Board is one and the same as the board of revenue commissioners. And I don't think that has been changed, but I will undertake to confirm that for you.

Hon. Mr. Blakeney: — Thank you, Mr. Minister.

Clause 13 agreed to.

Clauses 14 to 23 inclusive agreed to.

Clause 24

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I had noted a change in the wording of this matter when I spoke on second reading, indicating that the previous legislation required the Lieutenant-Governor in Council to appoint a comptroller. This one says he may appoint a comptroller. Does this represent simply the selection of words by the legislative draftsman or does it represent any significant change in the approach of the government?

Hon. Mr. Andrew: — Well, clearly there's no intention of the government to do anything but to appoint a comptroller. That's point number one and I take it that the 'may' versus the 'shall' would be a product of the legislative draftsman. And that's clearly the case.

I think you also made the point in second reading that it would be a significant departure with tremendous wrath if there was no comptroller in fact in place, and we would not see that situation.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I wonder if the minister could give us a brief comment on why it's felt that it's a good idea to move the comptroller function from Finance to revenue supply. I had sort of thought of it as a function directed primarily to the paying out of money as opposed to the gathering of money, and I've thought in my mind that the paying out of money was Finance's function and the pulling in of money was Revenue's function. Perhaps the minister could make a comment.

Hon. Mr. Andrew: — Two points. With regard to the earlier question on the revenue commissioners, there has in fact been no change.

With regard to the comptroller going to this new Department of Revenue and Financial Services, my understanding is that a few years ago the revenue branch was also in the Department of Finance. It was then moved out of the Department of Finance. What we have done now is taken the element of revenue, supply and services that would deal primarily with the government purchasing, that type of thing, and put it over to this department, the Revenue. We have then moved the comptroller into with the revenue collectors which are audit-type areas of work. The two departments now, we would see as sister departments. Both would report to treasury board and would work sort of cap in hand, if you like.

I suppose ultimately the decision would come, did you want to move Revenue back into Finance and create a larger department, or did you want to tend to put that management-type thing in one department and the Finance, maybe dealing with a more specific area, in another?

I suppose it's a balancing act. I suppose I could respond by: what was the rationale of moving Revenue out, and it should have been moved back, or this type of thing. So I suppose, it's a judgement call. We hope it will function properly. We in the Department

of Finance would still see a fairly close working relationship with the comptroller's branch and perhaps even a closer working relationship now with Revenue as well.

Clause 24 agreed to.

Clauses 25 to 27 inclusive agreed to.

Clause 28

Hon. Mr. Blakeney: — Perhaps, Mr. Chairman and Mr. Minister, this makes my point. We are now going to have payments out of the Consolidated Fund made under the direction of the comptroller, who is an employee of the Minister of Revenue, by a cheque on an account of the Minister of Finance. And it struck me that that added a possible extra tier. I admit that they're the same body, and probably at the outset there will be no difference in procedures.

But clearly, to pay a bill now — let me say a Department of Highways bill — the citizen now submits his bill to the Department of Highways for some machinery that he supplied, for example, or services rendered. The Highways people, in effect, authenticate it and say, 'Yeah, we received that piece of machinery.' And then they send it up to the comptroller or to the pre-audit, which is basically comptroller, and then somebody raises a cheque on the basis of it.

Highways starts the process, but it has to go through the comptroller and then be paid out. It now looks as if it's going to the Department of Highways for this authentication that the machine was received, to the comptroller to authenticate that Highways had the money and all of the pre-audit functions, and then to Finance to get the cheque out. And it looks like it's going through one extra department. It used to go through two; now will go through three.

I don't know whether the minister sees that as a possibility of slowing up payments, and I'm sure the minister has the same desire that every other Minister of Finance has ever had to see if he could chop three days off the average time of payment of cheques out. And it's a problem that everybody in government acknowledges as something we owe to the citizen, to get the government's bills paid as fast as we can. I raise the fear that because we're going through three departments rather than two we may be in fact slowing the process by a day or two, and thereby doing what we don't want to do, and I ask the minister to comment.

Hon. Mr. Andrew: — I'm advised that there's really going to be no change in the payment process, and it will not unduly delay the present speed by which we pay the cheques. The prime area there is, the Minister of Finance will still approve all bank accounts; it would simply then proceed. Clearly, if the situation proved it to be the other way, then we would certainly look at this down the road, but our advice now is that it would not in any way create any extra work and not delay it any further.

Clause 28 agreed to.

Clauses 29 to 31 inclusive agreed to.

Clause 32

Hon. Mr. Blakeney: — Just with respect to 30, 31, and 32, is it the intention that the public employees' benefits agency will in effect operate all of the plans? And I'm sure that it is intended that they operate the two public service superannuation plans, and the group life, and the dental plan and the rest of it. I'm really asking about, let's say, the power corporation superannuation plan. That's a good enough example. If the power corporation has a dental plan, would it be thought that it would be operated by the public employees' benefit agency, or by somebody at the power corporation?

Hon. Mr. Andrew: — Well, the object of this is to, not so much in the legislation, but the approach we tend to want to take is to try to rationalize that whole area as much as possible. We're attempting to bring in things like the teachers' plan, etc. I take it that very often the way government works is that that process is slow. We have come to no decision with regard to the crowns at this point in time. I think perhaps an argument could be made for them to be under that plan, but clearly no decision has been made at this point in time.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I note that under section 31 it's provided that the agency — that is, the public employees benefit agency — can act as an agent of a board that is responsible for administering a benefits program. Now, they're, let's say in this case, the power corporation superannuation board. And that is there in order that it can do some things for the power corporation superannuation board, e.g. the investment of funds, but not necessarily at this stage of the game that it would simply take over the functions of the board. Do I understand your position?

Hon. Mr. Andrew: — That's correct.

Clause 32 agreed to.

Clauses 33 to 39 inclusive agreed to.

Clause 40

Hon. Mr. Andrew: — If I might explain that amendment, it was an amendment suggested by the Provincial Auditor, and it, in his view, would be redundant if we left it there. And that's the reason for that House amendment.

Clause 40 as amended agreed to.

Clause 41 agreed to.

Clause 42 as amended agreed to.

Clauses 43 and 44 agreed to.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I didn't catch us dealing with the amending of section 42(5). Perhaps we did, but . . . That's a little one which says that not only the remissions under subsection (1), but all the remissions are going to be published in the *Public Accounts*.

Hon. Mr. Andrew: — It says, read, indicated at the last two lines, the amendment to section 42(5) of the printed bill by striking out subsection (1) in the second line and substituting this section. I think that covers it.

Mr. Chairman: — I read it all off at once.

An Hon. Member: — Okay, sorry I missed it in the going by.

Clause 45 agreed to.

Clauses 46 and 47 agreed to.

The committee agreed to report the bill as amended.

THIRD READINGS

Bill No. 33 — An Act respecting the Department of Revenue and Financial Services

Hon. Mr. Andrew: — Mr. Speaker, with leave, I move that the amendments be now read a first and second time.

Motion agreed to.

Hon. Mr. Andrew: — Mr. Speaker, with leave, I move that the bill with amendments be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

AGRICULTURE

Ordinary Expenditure — Vote 1

Item 1

Mr. Chairman: — Would the minister introduce his officials?

Hon. Mr. Berntson: — Yes, Mr. Chairman. On my right is Jack Drew, the deputy minister of agriculture. And immediately behind him is Stuart Kramer, assistant deputy minister. And behind me is Wes Mazer, director of administration. Additional support staff are behind the rail and will be introduced as necessary.

Mr. Engel: — Mr. Minister, as one looks at the Department of Agriculture and what should agriculture's role be in our economy, and particularly when you have a right-wing government that's been campaigning on the basis of getting the government out of the lives of people, and I suppose you see your new department as one that would provide information and possibly a little research and just kind of a watch-dog that sees things roll around and watch farmers trying to cope with the problems they're in, is that a part of an assessment of what your plans are in Agriculture? Could you give us a short overview on just what you see your role as Minister of Agriculture, and how do you see as one that would provide or what you don't provide for the farmers of Saskatchewan in these times?

Hon. Mr. Berntson: — Well, Mr. Speaker, you're right as far as we go. We provide a little information, and we provide a little service. And we provide a little incentive, and we provided a beef stabilization program. And we've provided a farm purchase program, and we've provided a reduction interest rates in the Farm Credit Corporation. And we've provided . . . Oh, I could go on. And I suppose what we're looking at is, as will unfold as legislation is dealt with later this session and in following sessions, an enhanced intensity of agriculture in Saskatchewan through irrigation, through value-added secondary industries, etc. And I think it can be fairly accurately reflected simply by taking a look at the budget. If you're comparing apples and apples, there is in the neighbourhood of a 20 per cent increase for Agriculture in this fiscal year.

Mr. Engel: — It's an interesting statement that you'd wind up with . . . that there's a 20 per cent increase in Agriculture. Do you feel that . . . your general statement indicates beef stabilization, interest subsidy, irrigation and secondary industry. Do you feel that 20 per cent increase is a general blanket that would touch those areas, or where would the bulk of that 20 per cent be going to? What major emphasis are you beefing up? Because government 6 and 7 or inflation-minus-one would indicate . . . standing up and saying now '20 per cent increase' would kind of indicate that you've used your 'weight' in a very effective way in there in the treasury board meetings, and got an additional 13 per cent there. And I was just wondering where you're applying that special emphasis.

Hon. Mr. Berntson: — Okay, firstly I don't sit on treasury board, so my influence — what little I have — doesn't come from being able to persuade treasury board. It comes from an inherent understanding and common sense in our caucus as to the importance of agriculture in Saskatchewan. And I'm sorry that I misled the member in my earlier statements when I talked about 20 per cent. In fact it's 21.9 per cent increase, when you're talking about comparable totals.

In '82-83 the printed estimate total was \$89,144,800; '83-84 would appear to be a reduction at \$79,771,350. However to compare proper comparables, you must delete the \$8,877,000 of the grain car corporation, which we have restructured; you must delete the \$4.25 million of drought payments, because we don't anticipate a drought this year and if one comes then the program will obviously have to be looked at, and that would be included in the final number. Those are a couple of the items that I point out that should not be in the comparison. So for comparable totals it works out to: '82-83, \$76 million as opposed to \$92.6 million for '83-84.

Mr. Engel: — Just on that totals, where did you get the additional from 79 to 92?

Hon. Mr. Berntson: — \$13,300,000 from the agricultural division of the heritage fund.

Mr. Engel: — I'm aware of that, but wouldn't that same amount be in '82-83?

Hon. Mr. Berntson: — There was no agricultural division in the heritage fund in '82-83.

Mr. Engel: — Just a further comment or clarification on those general figures. I see that you have in your budget now (and I would say that I'm pleased to see it there), from intergovernmental affairs you brought in a million dollars — I just can't find the number right off hand — one million for grants through that matching grants program through

SCIC. Have you taken that into account to come up with your 21 per cent there?

Hon. Mr. Berntson: — That's included on the '83-84 number, the additional 1 million.

Mr. Engel: — That actually would reflect a smaller percentage than the minister's trying to build here.

Hon. Mr. Berntson: — No, to balance that off we lost the Indian liaison unit; we lost the transportation agency to Highways; and we lost native policy secretariat. Those three agencies were lost. So you know, that's a balancing effect there.

Mr. Engel: — In talking about the transportation agency, Mr. Minister, do you still have staff or people involved, that will help you in your battle to retain the Crow rate, that were involved in the transportation agency before? Did you split that off or did they go Highways?

Hon. Mr. Berntson: — Okay. The agency is responsible to the Minister of Highways and Transportation. The arrangement that was made to effect government reorganization for preparation of this blue book was that I, as minister responsible for that agency during the commencement of the Crow battle, so to speak, would have free access to all staff and support from that agency until this battle is concluded.

Mr. Engel: — I believe after listening to your . . . I would just like to take a moment to deal with that particular topic to start with, I suppose. When you read your statement this morning, I believe the term 'free access' would be quite typical, and we could be using that literally because it didn't sound as though you had intentions of going to the wall, like a previous statement that was made in this legislature, for the farmers; or by your boss, the Premier, saying that we're going to make treasury available, and we'll spend millions if necessary.

I was looking for a statement from you this morning, Mr. Minister, to be quite honest and very frank, that would spell out some battle lines, and spell out some weapons you intend to use to fight this vicious plan that's going to have that tremendous effect on our rural economy. And I agree with you on the implications, and the statement you read, the kind of punishment it is going to do. I agree with you. When it talks about a scriptural reference, saying that the lambs who were led to the slaughter were blind. In Saskatchewan's case, the farmers aren't blind. They know what's happening; they know what the Crow rate's going to do. They know the kind of a sharp weapon Pepin is planning to use to destroy that Crow rate, and that heritage, that benefit we had on a constitutional part of our agreement.

This free access you have to the officials in the transportation agency — just what are you planning to do? And then what are your urgent actions that would come on, as far as top priority of your department in the next little while? We don't have very long in this battle. I'm sure you'll agree.

Hon. Mr. Berntson: — And I'm sure even the hon. member will agree that constitutionally we don't have the power to declare war on our senior government. And they have absolute jurisdiction as it relates to transportation in Canada. We have, as a government, lobbied with some degree of vigour — and I mean really worked at it. Our Premier, our Minister of Finance, myself and others have lobbied intensely in eastern Canada and other jurisdictions in western Canada — industry and politicians, the

whole ball of wax. We continue and will continue to do just that.

As it relates to putting the treasury on the line to protect agriculture, if the legislation gets through — and heaven forbid that it should, in its present form at least — but if the legislation gets through, it won't be effective till August 1, and then the effect of that legislation won't be felt, at least in the short term.

But we will be monitoring for negative impact. We are today developing programs that I will be prepared to announce sometime down the road. There may in fact, on some of them, be legislation introduced this session — certainly if not this session, in the fall session — to deal with some of those. But I won't anticipate that. I will just tell you that we will be monitoring for negative impact. We will be supporting our livestock industry and our agricultural industry in Saskatchewan, and we quite simply, to whatever extent we can, will not allow the centralists in Ottawa to destroy what is the backbone of our economy here in Saskatchewan.

Mr. Engel: — I appreciate the good intentions of you and your department as far as monitoring the effect that Crow change will have, and possibly even putting programs in place and studying ahead. But as the general leading this fight to save the Crow rate, boy, it looks an awful lot from an observer's point of view that you've turned tail, you've dropped your weapons, and you're running for cover. It looks to me as though you've given up on this battle.

I can't hear you say anything that you're going to be doing now, tomorrow, this week-end, to spell out some battle lines. I suggested them to you the day you opened your special conference up at Saskatoon. I made public some battle lines. If you would have got involved that time and taken some advice, I'm sure today we would have never gotten to this place where we'd see the Minister of Agriculture admitting defeat. And the bill is just introduced.

Hon. Mr. Berntson: — Firstly, no one on this side of the house admits defeat until the last breath is drawn. Secondly, had I taken your advice every step of the way, I would hate to think where we would be sitting now. It was you that stood up in this House last week and said, 'Please react to this news release; please react to what Pepin now says he's going to do. He's going to increase the commodity base. He's going to bring in the linkage. He's going to remove the 31.1 ceiling. He's going to do all of these things.' When we analyse the legislation, there's provision for none of those things — none of those things.

You maybe have more trust in the boys in Ottawa than I do. Quite frankly, any that I did have is seriously eroded as a result of events of the last few days and weeks. But I guess what I'm saying is that we intend to do battle to the best extent we possibly can, in the interests of the agricultural community in Saskatchewan. And we don't even mind taking a little advice from you from time to time, but we'll decide as to whether it's good advice or bad advice, and which we're going to act on and which we're not.

Mr. Engel: — You're trying to mislead my colleagues and the rest of the people in this legislation, because what I suggested this past Tuesday, after I had a copy of Pepin's press release . . . I never once suggested that the 31 million tonne ceiling was gone. Just the opposite is true.

I said, from the press release we know that: (a) variable rates are there. It was obvious

that he was going to make it possible for the railways to come up with a program that would be detrimental to our branch lines and to our branch line elevators. I suggested to you, although it sounds good, although it sounds good to increase additional crops . . . I think that's great. When I look at increases that have taken place in canola and lentils, and some of these other crops, I'm sure that sunflowers and a lot of these other crops will come up and take just as large a portion of it.

But the question I was raising, and the seriousness of that aspect is, that's all fine and good if you take off the 31 million tonnes, but they didn't. The ceiling, that limit was still there, as far as I can see in these 45-or 60-page bill we've got down there, and we could take a week studying that one. I don't want to get into debating that bill as such.

But what I want to debate here today is to encourage you to get involved in forming an alliance. I suggested early to you that this Crow coalition sounded like a good thing. When a prominent citizen, as we have here in Saskatchewan, decided even to head it up, I suggested that it wasn't the money; it was just give him some assurance; endorse what he's doing. Send an official of your caucus in there to officially endorse a coalition to help mould the opinion of that group that has a broad spectrum. It goes from the farmers union right across to the co-ops —all of them. There's a broad spectrum. Palliser decided not to join that group. I can assure you, but there's another question and we'll talk about Palliser later on.

But the issue is: do you have a plan of action? Have you a plan where you're going to say, 'We'll support a coalition that represents a broad stroke of Saskatchewan farmers. We'll support that coalition. We'll lobby (there are four points, remember) with your colleagues in Ottawa like I did my colleagues in our side of the House. We'll make sure that we get together and do everything we can, and throw up all the road blocks we can'?

You have a colleague, the leader in Ottawa; he reminds me an awful lot of you — the same kind of background, same kind of training, same kind of discipline to authority. I appreciate that aspect of you, but I say to you; call on your past experience. Set up some lines where we're not going to retreat beyond. I thought that's what you did when you passed that piece of paper we did here, where you got unanimous agreement by trickery and every other way to get me to sign a statement that I don't entirely endorse. But I compromised just so we'd have a unified front.

I encouraged my friends in Winnipeg to do the same. You've missed the boat by not getting Alberta to do it. You really fell down on your job, and consequently, you're still dragging your feet. You know, you should get into an exercise program, or something, to get a little more trim if you can't carry the battle. Do something, but please, don't waste all question periods day after day after day trying to hurl insults at me hoping that I'll back off. I don't intend to. I don't intend to. I don't mind the insults; that's okay, it helps the ego a little bit. But please, get on with this battle, and tell us just what you intend to do. What kind of method have you in place that we can assure the farmers? They're sitting home; it's snowing; they're discouraged. In my country half of them are done seeding, but they're saying, 'Does it pay to finish seeding if I'm not going to have a decent opportunity?'

You were concerned about the 27 . . . you mentioned in your statement, getting off to more specifics at the . . . There was 27 million tons of grain marketed for \$6 billion. I agree with those numbers, but would you suggest that we had any problem with the rail transportation system getting that to market last year?

Hon. Mr. Berntson: — Okay, a few other things that you raised, I'll deal with them and then get to your specific question. The first thing, you make reference to this 50- or 60-page bill emanating from Ottawa, and you suggested that it would take a week to analyse that, and it would take a long time. And he's saying it from his seat right now — it would take a long time. Yet when we got one in our hands last Wednesday, you were begging and pleading with us to come down and react to this bill the very next day. And at the same time you say that at least you would require a week, or at least a very long time, to come up with the same analysis, and I'm not here to insult you. I'm just using your own words and giving them back to you. And I just make that point.

Then you come up with the Crow coalition, and why haven't we joined the Crow coalition. I said in this House before that I don't deny anyone access to any coalition or agricultural organization or whatever. I wouldn't deny any one of our members to go to the Crow coalition. I wouldn't deny them to go to Palliser. I wouldn't deny them to go to the NFU. Some of them have, and some of them are very active in all of the organizations that I've mentioned. And you say that we should be lobbying in Ottawa. We are. We are encouraging the various commodity groups and agricultural organizations to do that as well. And in fact . . . Would you get me Gary Lane for a minute? Before I tell you about that one, I want to be absolutely sure.

But the lobby goes on. We've produced a Crow pamphlet, and we've produced the ad that you've probably heard something about. And I think in the neighbourhood of \$80,000 the cost will be for those particular efforts. In addition to that, the Minister of Finance, the Premier, and myself have lobbied right across this country — no small effort.

And, yes, we did move 27 million metric tons to export position last year and brought in \$6 billion to the Canadian economy, and your question was: did we experience any difficulty in that movement? And I'd say last year, minimal. Last year there was minimal, as it relates to bottlenecks in the system. But I point out to you that with a very serious downturn in the world economy commodities such as potash and sulphur and coal and other bulk commodities were not moving. And I would suggest to you if those commodities were moving to their maximum potential that we would have experienced serious difficulties in getting that grain to export position.

Mr. Engel: — If the minister would, I will just take one line to explain the difference between doing . . . (inaudible interjection) . . . No, I didn't think I needed to repeat it three times. But, you suggested that I was basically being contradictory when I said that, make a response to the bill, and then I turned around and say that if we want to go into details studying that bill it'll likely take as long or longer than it's doing in Ottawa.

An analogy of that would be: here we have a road mine planted in the road. It doesn't take me long to tell my colleague, 'Look, don't go down that road; it's going to blow up your vehicle if you hit that mine.' And that's what I was trying to tell you to do. Now, if we're going to take and defuse that mine and go into an analysis of what that 60-page mine contains . . . That mine is there. If that gets passed and if it's there, it's going to blow an awful lot of Saskatchewan farmers out of the business, and that's the point I'm trying to make. And all your job as minister here in Saskatchewan is saying to friends at Ottawa and to the troops that are marching down here, saying, 'Look, stop. You can't go beyond this point, because this is what it's going to do for Saskatchewan. And they're marching on me.' They've only got a few weeks left and it'll be done. And you are saying, 'Oh, I can sit back and if I find anything more out about that bomb I'll let you know. I'll let

you know.'

You're sitting on the fence and saying, 'That's fine, boys. There's a bomb there but don't worry about it.' And that's the point I'm trying to make, Mr. Minister. I'm not saying that we can tell you in detail how terrible that's going to be, but when you're blown up it doesn't really matter. You know, if the leg's gone it doesn't really matter what happened to your one toe-nail. It doesn't happen to make that much difference, because the destructive effort is there.

I think the point I'm trying to get you to tell us is: if you're going to go to the wall, where is this wall? How much further back are you going to back off in this battle? Because I feel there's a battle there. You promised me and the rest of the farmers in Saskatchewan, that, 'Boy, once I find out what's there I'll go to the wall for you.' We know what's there. We know what it's going to do. We know that it's as vicious and as detrimental as Gilson said it would be. We know that it's as bad as what Pepin first said when he announced his initiative before Gilson was ever appointed, and now we have the actual bill there. There isn't very much good about it. I agree with your analysis of that aspect of it, but I don't agree with your inactivity, and why don't you tell the House just what you propose to do in the next week to stop the passage of that bill? I think you have some muscle and some authority and some position here in Saskatchewan, because 60 per cent of the people affected by that bill live within your jurisdiction.

Hon. Mr. Berntson: — Well, a couple of things, Mr. Speaker. Firstly, I want to make it clear that there has been no backing off. Period. We have continued our lobby from day one. We have encouraged, begged, argued, fought, kicked and screamed and gouged, and everything that we have to do, or can possibly do, and will continue to do just that.

As it relates to the mine in the middle of the road, I suppose the difference between your colleagues and mine is mine wouldn't have to be told not to step on it. And they would recognize right off that it was a dangerous thing, so they'd immediately get to the analysis in hopes of finding something there that we can build on. Obviously it's not there. And so the fight goes on.

We will continue our lobby. We will be urging commodity groups, and farm organization and agricultural people, to do the same thing, and I say the fight goes on. I don't know where your perception of backing off comes from, but it just doesn't happen to be the case.

Mr. Engel: — I suppose we could continue. Mr. Chairman, Mr. Minister, we could continue this war of words for a long time and you just are failing to respond. The legislation was introduced on Tuesday. I heard no telegram. I heard no message. I heard no words, no letter. And then on Wednesday is day two; Thursday is day three. Today we are day four, and the minister is sitting back and saying, 'The fight goes on, I'm not backing off.' Four days hiding in the trenches or crawling backwards is what it looks like to me.

I think the minister should be indicating that he's . . . What this means is saying that here we do a battle line so far and no further and here's where we're going to hold and strengthen the stakes, and whatever you're going to do. There should be some indication, with the competent staff you have — and as I look across the various departmental heads you have here, you have a fine complement of people that can mount a top-notch attack on Pepin's legislation. And I don't think you've succeeded in doing so. And if you have, would you please forward some copies of telegrams, or night

letters, or cables, or wire, or anything? Show us some sign of what you've done since Tuesday.

Hon. Mr. Berntson: — Mr. Speaker, I'm prepared to provide — not today, it'll take me a while to pull it together — I'm prepared to provide a package of all the telegrams, night letters, ads, whatever, that we've sent to Ottawa to argue our position relative to the Pepin proposal, and prior to that, the Gilson proposal, and more recently, the analysis of the legislation as it was tabled. And I'm prepared to provide the hon. member with that package, providing he will show the same degree of patience that he's shown in this House in previous estimates.

Mr. Engel: — Well, my patience was stretched, because it took till just recently — in fact, within a week of the new estimates — that I got some answers from the time before. But I wasn't going to, you know, deflect your staff's attention to important matters by just answering some questions from the Agriculture critic because they had a battle to do.

If the minister would please — and I could get insulting like you sometimes do with me and my colleagues — use some good description . . . My colleagues have used some descriptions. But you weren't listening. You weren't listening. I asked you; what have you done since the bill's been tabled on Tuesday? I have a copy of the ad you did, and I have some information on what you did in the past. I'd like to have a truckload of material, or however much it takes, of all the effort you've put into this thing since the bill's been tabled on Tuesday, or since effort's been made by Pepin to get the bill in on Tuesday.

I understand that my colleagues gave us a day's grace with stalling, not providing traditional first reading. And then there was some other time gained. But since you're aware of what's happened, just if you can assure us that you'll tell us what you're doing, and give us in verbal, now, some proposal of some activity that you intend to do. Or are you indirectly telling us that, 'Ah, maybe a change isn't so bad. And so, what the heck, we've had the Crow a long time. Let it go? Is that basically what your attitude is?

Hon. Mr. Berntson: — Well, Mr. Speaker, Mr. Chairman, I don't know how I can get through to the hon. member beyond repeating and repeating, and maybe eventually penetrate. But what I've said since the bill was tabled on Tuesday . . . I think it was about 4 o'clock Wednesday that we got a copy of it, and late into Wednesday evening we were busy digesting it. Thursday, as the hon. member knows, was a rather busy day in this particular legislature. And today the ministerial statement was given relative to the legislation, and we have . . . If it hasn't been done, it is our intention to immediately communicate that statement to all jurisdictions affected by the proposal and the legislation.

And we intend to continue our lobby. I don't know what's on my book for next week; I don't know what's on it for tomorrow, but if my book tomorrow says I should be in Ottawa tomorrow night, I'll be there. And if on Monday it says Ottawa or Toronto or wherever, I'll be there. But we intend to continue the fight to protect western Canadian agriculture, and particularly the livestock industry, as this legislation does serious violence to the livestock industry without doing any positive things for the grain industry.

Mr. Engel: — I could belabour the point, I suppose, and go to a lot of press releases

here that I had planned on dealing with. And just the one analysis here that says, 'Affordability is the key issue in the Pepin plan,' and then the other one where I referred to in one question period where the minister was involved in discussions over the Crow issue. And as recently as May the 5th, where Miller was being quite vocal, and a spokesman from your office, a spokesman for Berntson's office refused to confirm or deny the meeting and said only, 'The minister is conducting ongoing meetings with Pepin.' But Miller said, 'The two ministers have held a series of meetings to discuss what changes to the proposed legislation would make it acceptable to Saskatchewan.' Both sides are quite open-minded,' he said. 'Pepin is giving serious consideration to a number of changes.'

I suppose the one issue that scares me the most in our position, over the period of time from as far back as when Otto Lang was the Minister of Transport and Ralph Goodale was his executive assistant, and they came out with this famous saying that, 'There's a user-pay policy.' And I get quite concerned when I see percentages thrown around and when I hear you talking, quite glibly, about the fact that farmers are prepared to pay more. I agree with Emmett Hall when he says that, 'Once you change it, even a little bit, we're in trouble,' because then ensuing governments and different people and different staff members, particularly as it relates to this bill where that link will be in regulation rather than in statute . . .

I appreciated your press statement, or your official statement, this morning in part, but the part that frustrates me is because if you're circulating that broadly, it doesn't encourage your colleagues, the MPs — I'd suggest send it to them. And all the . . . Send it to our guys too, you know. But it doesn't really put a bottom line down saying what the net effect is going to be once you open the door. And frankly, Mr. Minister, I think you have a tremendous staff around you, but I'm not so sure that I'd be that complimentary to the staff that is surrounding Mr. Pepin.

I met with some of them. I was fortunate enough to spend a week with two of your colleagues in Winnipeg at a conference when we got to rub shoulders with these guys, and we went out on train trips and the works. And those fellows there were just as anxious and just as vicious to change the Crow rate as the CPR and CNR officials themselves.

And that's where it's really frustrating, because I know the decisions you make and the statements you read in this House — you rely on your staff and you have some input likely in what direction they should take. But basically you have to rely on your staff. And here Pepin is asking the farmers of Saskatchewan to rely on some of the things . . . and I could name some of the federal staff members; I'm not going to bother. Some of them really don't understand what will happen if that Crow is changed in statute.

And my bottom-line question would be; what are you prepared to let go as far as your negotiations are concerned with Pepin? . . . And what Miller talks about here that you had some amiable meetings and talks and set out the position Saskatchewan would be prepared to live with. What is that bottom line, Mr. Minister? What percentage would you accept? Would it be one that rates could be 12 per cent, six times Crow, five and a half times Crow? What are you prepared to live with?

Hon. Mr. Berntson: — Okay. The member has asked about the discussions between myself and the federal minister, and there have been many. Off the top of my head, I can't even tell you how many — but many. And in every instance I've advanced the same arguments, and I suppose that any of the conditions that I've advanced arguments for

that we win, I can compliment the federal minister for giving in to those.

We don't want any of our points missed. And our points briefly — and you know them as well as I do — but we've said from the outset that it must be statutory, must remain statutory. We've said that the linkage should be there as a safety net and cost protection. And I don't know where you pick up the 12 per cent; I think 12 per cent is unrealistic. I think if, as is projected by the federal government, that there is a strengthening in commodity prices, 12 per cent could be as high as 10 time current rate and that's clearly unacceptable. So the principle of the linkage, I think, is acceptable but would have to be at a reasonable level, and certainly 12 per cent is not reasonable.

I would sharpen up my pencil, I suppose, to come up with what I believe to be a reasonable level. Off the top of my head, I would say 6 to 7 per cent.

Additional commodities — I have advanced that argument every meeting that we've ever had, that a broader spectrum of commodity should be covered. I think in principle that that's sound and most people would agree with that. However, as I've said earlier, in the absence of any absolute as to what those additional commodities might be, I'm not prepared to endorse the federal minister in that particular item either until I see what commodities may or may not be covered. If all we get is what we've got plus pumpkins, it's really not much benefit to us, now is it?

The 31.1 ceiling — We don't like to see that there. We view it as an impediment or a disincentive to increase productivity, and we've argued that that should be removed. And I guess the last point I'll make — and you're aware of all the nine points that we made in our resolution — the method of payment wasn't included in our resolution. We said at that time that consensus on that particular question should come from the producer. Now, we've come to the position that, in the absence of any consensus, a reasonable compromise would be the 50-50, with review after '85-86. That was, I believe, the position first advanced by United Grain Growers. And I think it can be argued that that is a reasonable compromise in the absence of consensus any place on the question of method of payment.

You talked about . . . (inaudible interjection) . . . No, I'm going to stay positive, so I won't get into what I was going to say next. And essentially, that's where we are. Now we argue for every one of those points. Any one that we get would improve the legislation. But we argue for every one of them. And I don't know if any one or all of them would really improve this particular legislation to the level where it would be acceptable to us.

Mr. Engel: — I think, on that note, although I don't agree with all of your analysis of that, I'll leave the Crow rate for further questions in question period, I suppose, as things progress.

Just a couple of points as to your basic philosophy. You're saying that there's general beefing up of 21 per cent — 21.9 I think, even the number used. You named four key areas, and that's awful close to the areas I was going to talk about.

But before I get into that, the *Leader-Post* on the 9th had an article, 'Agriculture is still the core of the province's economy.' Do you agree with these figures that farming brought in about \$3.8 billion in gross revenue last year, about one-quarter of the value of all the goods and services purchased in the province?

That would once have told most of the story. Is that basically the same figure as the Department of Agriculture would estimate is the gross revenue?

Hon. Mr. Berntson: — Without absolute precision, the 3.8 to 3.9.

Mr. Engel: — Getting to the numbers as far as the net income for last year, what would Agriculture's estimate be there then?

Hon. Mr. Berntson: — We don't have that here. We can get it and provide you with it, but we don't have it within easy access.

Mr. Engel: — Well, Mr. Minister, the numbers would serve as a degree to underline the issue that I wanted to raise and . . . (inaudible interjection) . . . Yes, just roughly.

Hon. Mr. Berntson: — From memory, and I don't want to be held to this, net farm incomes were down in the neighbourhood of 17 per cent last year.

Mr. Engel: — In that same article, a vice-president of Sask Wheat Pool, Garf Stevenson, is quoted as saying that:

Garf Stevenson, first vice-president of Saskatchewan Wheat Pool has worries about the province's approximately 70,000 farmers. They have trouble keeping up with rising farm input prices for at least a decade. Farmers keep going on loans for which they qualified because the value of their land was increasing. Now that land values are falling behind, the general economic unrest, many farmers find a financial vice closing in, Stevenson said, 'They need more money to pay for new equipment and old debts, but their borrowing power has shrunk.'

Do you agree with the general assessment that Sask Wheat Pool makes of the farm situation?

Hon. Mr. Berntson: — Well, in general tenor, yes. I suppose it's a matter of degree. I don't know if I would go so far as to say that it's as serious as you've implied, but there's no question it is a serious problem. Input costs, including interest, energy, herbicides, pesticides, fertilizers — all have had a devastating effect on the margins that we once enjoyed. And there's no question, the margins simply aren't there as they used to be.

What have we done? Since we don't have any control over commodity prices, we have to attack the input side, and some of the things that we've done obviously don't have an immediate impact. But one that I will talk about briefly is the rural gas distribution system that was announced by our minister some time ago. It's a 10-year program to gasify, so to speak, rural Saskatchewan. Natural gas, as a source of energy, is about 60 per cent of the cost of our traditional energy sources, and that would be a very significant input cost reduction, if we could get natural gas to the farms.

We've also brought in a Crown land lease policy. I think, that offers some security for those people living and farming on leased land. We've brought in a farm purchase program and provided for easier intergenerational transfers and in fact easier first-time purchasers of farmland. Oh, I could name a few more, and if you insist, I will, but I'm going to have to sit down and think about it for a while.

Mr. Engel: — Well, I wish the minister would, because you come into the House here and just a simple question from the Department of Agriculture as to what the net income is for last year, and you say it's down about 17 per cent and you can't give me the number of how many millions or billions of dollars it is, just a general little figure like that. And then you turn around and start talking about farmers spending money to put in rural gasification; then they're supposed to spend some money to buy the Crown land that they're leasing; and they're supposed to borrow some more money to get involved in the farm purchase plan — when Garf Stevenson says that farmers are kept going on loans.

So to finance their working capital and their cash flow, they're making additional loans for which they qualified because the price of the land went up. When they first borrowed money on a quarter section of land, they maybe got \$35,000. When that land jumped to \$100,000, they likely were able to borrow \$60,000. Now all of a sudden that land's coming back down, and the squeeze is on, and the Minister of Agriculture stands up in this House and says, 'Look, fellows, borrow \$3,500 to put in natural gas.' He didn't tell us that that natural gas is going up in one jump by 25 per cent, before they've even got it. Did you take that into account when you said there was a 60 per cent margin to use natural gas, even with a 20 per cent increase, or 25, 28? And tell me to borrow money to put the gas in.

I was in a little group at Woodrow that was working out some details, and we thought we were going to get natural gas in '82. All of a sudden, Sask Power says, 'Sorry, boys, the project's out,' and the seven of us are sitting there waiting. Now my buddies maybe can't afford it any more, but I don't know if I can. I don't know if I can, but . . . (inaudible interjection) . . . I'm saying that the farmers that are in a squeeze.

When somebody that represents 70 per cent of these 70,000 farmers, or close to 50,000 farmers, he's saying the vice is closing in on them. Those of you that are farmers know what a big vice is; this one has jaws about six feet long. And they're starting to put the squeeze on these guys. I know fellows . . . A fellow from your constituency, Mr. Minister, was in and dropped into my leader's office and they called me in to visit with these two gentlemen. And he had the squeeze put on him. They came out and collected his cattle, and they sold his equipment at an auction sale. And, you know, things are tough — things are tough.

The other guy, he had seven quarters of land, and he had some young sons out looking for jobs. I suggested, 'Well, why don't you go up to the minister's office and get yourself an application for the farm purchase program and sell your young boys the land, and take the money and retire?' And he says, 'I wouldn't strap them with that kind of debt. Things are too tough to make the payments.' And you're telling me that everything you've said here spells out, 'Spend more money.' You've got to spend money to buy the Crown lease land. You can't get by with just paying your lease. You've got to spend . . . I think you said, 15 per cent down. That's a lot of money 15 per cent down, and then you get 10 per cent money over a 15-year period, which is another 10 per cent a year. The guy's got to borrow money to get into the program, as good as it might sound.

I think if I talk about some ranchers down in my area that have a lot of lease land, that it didn't really bother them over the last 75 years to have that land leased. Why all of a sudden the big urgency to sell it? What is your alternative? Has there been any program here where there is 21 per cent of your increase for something that will help them, or is it all for telling him to spend more money?

Hon. Mr. Berntson: — Sometimes the logic of the member who just sat down, Mr. Speaker, escapes most people, but I'm going to try and bring things back into perspective.

Firstly, Mr. Speaker and Mr. Chairman, lease land that all of a sudden becomes owned land, where equity is building, and with equity building — he's not making now rental payments, but payments on equity. He's actually getting a bigger piece of the action. The 15 per cent down with amortization over 15 years with the first 10 years guaranteed at 10 per cent, I believe, I think is very, very reasonable. So if he's then . . . And it's pointed out to me that in rural credit unions agricultural loans are down, deposits are building, which tells me that someone out there is doing all right, and perhaps this particular program will create some demand and we will see some improvement in economic activity out there in rural Saskatchewan.

Secondly, as it relates to the farm purchase program, I don't know how it would compare across the province. In certain areas of the province, I would think that 8 per cent money is not too far off what would be expected on rural gasification, no, I didn't calculate any increase in gas in the short term, and I don't think you could either without some wild projections because when it has to be approved by PURC (public utilities review commission) before it's in fact a reality. So you may be critical of those programs, but I can tell you there are whole lot of folks in rural Saskatchewan that are very, very pleased that the programs are in place.

Mr. Engel: — Mr. Minister, did the Attorney-General just give you the information that PURC agreed to the 25 per cent? That is not a wild shot in the arm — sorry, Mr. Minister. If you'd take some time to answer the questions and face the music, we could get on with it because I have quite a list of material here, and it's tough because I'm not even into my material yet.

You suggested that a wild estimate was 25 per cent. I can't leave it go at that because it's before PURC. The numbers are out there and you tell the farmers that there's a 60 per cent savings when you know it's going to cost them 25 per cent more. The minister told me 60 per cent — there's a 60 per cent traditional saving for to go into rural gas. I wrote down the numbers and we'll check with *Hansard* to see if that's right. But the minister is confusing the issue.

Credit unions that I talked to . . . and getting down to the farm purchase plan, a credit union loans manager tells me that he's having some problem with the length of turn-around time it takes for a person to get his information back whether he's going to be approved or not. What on the average would you consider a reasonable turn-around time from when a person has had his loan approved by the Farm Credit Corporation and goes to your office? How long should that take before they find out whether or not that loan will in fact receive the 8 per cent funding? What would you consider a reasonable turn-around time?

Hon. Mr. Berntson: — My understanding, Mr. Chairman, is that the average turn-around time is in the neighbourhood of three weeks. And to your previous question, it never comes to my office. I've never yet seen an application.

Mr. Engel: — Are you not responsible for the office that approves? I suppose I'll have to be very careful with the sensitive minister on his political program here, and say the office that the minister is in charge of approving. I will reword that if you're that

sensitive about it.

Hon. Mr. Berntson: — There had been over 7,000 interviews under the farm purchase program, and about something over 3,000 actually signed up. The turn-around time initially was in the neighbourhood of the three weeks that I've talked about. In some instances now the turn-around at Farm Credit can be as long as six weeks simply because of the volume of applications they are dealing with. But there is no delay in the decision as to whether they qualify under the farm purchase program or not, or whether they qualify for the rebate. And out of those 7,000-odd interviews there have been in the neighbourhood of 20 or 25 applications that went to the office of Mr. Jim Webster, who is heading up our program. And those are the only applications that anyone in Agriculture has ever seen because the program is administered totally by the farm purchase program — or the Farm Credit Corporation.

On a point of clarification, eventually all of the approvals come to the office. But the only ones where Mr. Webster had to make a decision on them were those 20 or 25 out of the 7,000 interviews.

Mr. Engel: — You're saying that 3,000 were signed out — you mean that have been approved?

Hon. Mr. Berntson: — In the neighbourhood. Something over 3,000 are already active in the program, approved.

Mr. Engel: — Can you just take me quickly through the process, Mr. Minister? Farmer John wants to — A or B, or call him what you want — the farmer wants to get into farming. He goes to Farm Credit Corporation, makes an application. What are the qualifying terms that Farm Credit Corporation use to qualify for this loan? We went through that, but when I reread the estimates in the past couple of days on the answers you gave me, it wasn't clear. You were telling us — talking with a forked tongue would be a nice way to put it, maybe.

But what are the terms of reference that a person has to qualify for? Say the parcel of land sells for \$150,000. How much does he need down? What would Farm Credit Corporation require? What process does he go through to get that money?

Hon. Mr. Berntson: — Okay, I want to go back to your earlier question because I gave you, inadvertently, some bad numbers. There have been in the neighbourhood of 3,000 deemed to be eligible. In fact, 1,500, approximately, are already approved and in the system and working. I just wanted to make that clarification.

As it relates to Farm Credit Corporation eligibility criteria, I can only tell you what they have the power to do. What they do from time to time is completely within their own bailiwick. And their criteria really have nothing to do with qualifying under the farm purchase program or not.

Our criteria are, as it relates to off-farm income, net worth, serviceability, those things, and I think we've ...

Mr. Engel: — Run the \$150,000 loan by me just quickly. What would you suggest? What would you suggest if you wanted to borrow \$150,000? Because I think you said that's your average loan.

Mr. Chairman: — Order, order! If you're going to make comments, do it from your feet, sir. Your light is on, so it's recorded in the *Hansard*.

Mr. Engel: — I've just required some information here. I suggested earlier that he runs a \$150,000 loan through us quickly, as to what criteria would be involved, what kind of an . . .

Shall we start over? Now, all I was asking, Mr. Minister, is farmer — I call him John, maybe, or Farmer A — needs to borrow \$150,000 to buy a parcel of land next . . . (inaudible) . . . to make this \$150,000 loan. What would you suggest are the criteria involved? What kind of loan is he going to sign up? What will be the base interest rate, and how will the subsidy work? Just tell us the numbers on that. In fact, I could make it easier for your staff by saying \$100,000. I'll knock it off. The recession's on; we'll sell the land for a hundred thousand bucks.

Hon. Mr. Berntson: — Again, it's not for me to tell you what the criteria set out by Farm Credit . . . (inaudible interjection) . . . No, our program is the farm purchase program. Farm Credit Corporation has to be satisfied as to their eligibility requirements as well. I understand in the banking community they are limited by law to lending only up to 75 per cent of appraised value for land. The Farm Credit Corporation has, I understand, more latitude than that and can in fact go up to 90 per cent. So what can you buy with \$150,000? Well, in my corner of the world you'd probably buy about three quarters of land; in your corner of the world you'd probably buy one. It varies on the basis of assessment and productivity and market pressures, etc. But I can tell you that with 7,000 applications and 3,000-plus deemed to be eligible, the program has obviously been well received.

Mr. Engel: — Mr. Minister, you're sure using some fancy statements. I said a young person wants to buy a piece of land worth \$100,000 — two quarters in your area, three-quarters of a quarter down . . . (inaudible) . . . You said that 'Our program's a farm purchase program. Well, I'm wanting to know how this works to purchase that land, and you tell me you can't tell me. Is it a farm purchase program or isn't it?

If Farmer John, we'll call him . . . John wants to buy this parcel of land. You came up and told me: how much land is involved? I didn't say. We don't need to know if it's one or two or three quarters. He wants to borrow \$100,000. That's what the farmer is going to charge him for that parcel of land. And to get that \$100,000 you've got a farm purchase program. There was a program in place administered by the former government that was a land bank program. And the land bank would have bought that parcel of land; we could have told you what the criteria were to rent it to Farmer John so he'd be farming. You've got a farm purchase program and tell me that you don't know what's quality. What does he get, what does he need, what's the interest rates going to be, what kind of contract is he writing up and what kind of guarantees is he going to have on that \$100,000? You must have staff sufficient to be able to do that one.

Hon. Mr. Berntson: — Well, obviously I have to go back to square one again and take you through the whole process. The farm purchase program is not a lending agency. The Farm Credit Corporation is the lending agency. So you go into the Farm Credit Corporation — your Farmer John or whoever it is you're talking about — you go into the Farm Credit Corporation and you make application for a loan to buy this land. If you meet the Farm Credit Corporation eligibility, the next step is for the Farm Credit Corporation to determine whether you would meet the criteria as set out under the farm

purchase program to have the interest rebate applied. Okay? If you meet the criteria as set out by the farm purchase program, you will have the rebate applied which will write the interest rate down from, I think, twelve and a quarter today, down to eight per cent — twelve and three-quarters down to eight per cent — that's based on amortization of 10 years.

If you want me to spell out the criteria to qualify under the farm purchase program; you must not have exceeded \$35,000 off-farm income in the previous three years average; you must not have a net worth of more than 300,000; the maximum loan is 350,000, and you must demonstrate serviceability.

Mr. Engel: — The farm purchase program is not a lending agency. It's not the place where he gets his money from in the first place. On hindsight, shouldn't you have accepted my amendment to change the name, and say that it should be called, 'a loan reduction program'? Because basically all that the farm purchase program does is reduces the loan. Is that right or isn't it? Yes or no — just a simple . . . (inaudible) . . .

Hon. Mr. Berntson: — Basically what it does is that it facilitates the desire of a lot of young farmers to own land. And we do write down interest rates today from twelve and three-quarters down to eight per cent. And we've had over 7,000 applicants; over 3,000 deemed to be eligible ; over 1,500 written up already. And, I don't care, quite frankly, what you call it. If it's working and doing a good job, that's fine with me.

Mr. Engel: — At least that should deserve a great round of applause, because that for somehow entitles it to be called the farm purchase program. Well, if that's the misnomer you want to give it.

What would your staff suggest would be the going rate of the interest at a credit union today?

Hon. Mr. Berntson: — I don't have the foggiest. I'll send one of my officials out to phone them if you like. Do you want me to check with the Royal Bank and the Bank of Montreal and Credit Financier, and some of those as well? Are you going to buy some land?

Mr. Engel: — Are you actually informing this House that with the 20 or so officials you have sitting around you that they don't monitor what the going interest rate is and to see if your 8 per cent plan is good? You don't have a ball-park figure what you could borrow money for land for? Is this what you're telling us?

Hon. Mr. Berntson: — I can tell you what interest rate I'm paying on my credit union loan, but I don't think it's any of your business — a first point. The second point: it varies. It varies all over the map as to risk, as to what the loan is for. And surely the member understands that. I don't know if any of my officials — they're all very well paid and they probably don't have loans, but I don't expect them to go down and check the credit union every morning on the way to work.

Mr. Engel: — Mr. Minister, at the outset you suggested that under a free enterprise government system your job is to monitor Agriculture. Your job is to keep an eye on the industry as far as what's happening. Your job is to be involved in helping with research and developing new programs and in general creating an environment where Saskatchewan farmers can get in and make some money.

And you're trying to sit here and tell us that you don't know what an average loan would be written for a piece of land where you have some good security and you get it at a good, depressed price. Because the farmers are in this vice . . . You agreed that there is farmers kept going on loans for which they qualified because the value of their land was increasing. Now that values are falling and the general economic unrest and many farmers find a financial vice closing in on them, and you don't know what the interest rate is. Well, let me tell you.

A credit union loans manager in one of our leading credit unions in my riding tells me that the red tape involved in trying to get a Farm credit Corporation loan and the stalls involved . . . Now your program was announced last, and is effective, January 1. Seven thousand young farmers were anxious to get into the act and get some land and establish themselves as farmers. Where do you suppose the other 5,500 farmers are, Mr. Minister? Where do you suppose they went? What do you suppose they're doing? This is the middle of May. Our boys are half done seeding.

Do you suppose they're still waiting for that transaction to go through and waiting for you? How many of these other 1,500 that are deemed . . . (inaudible interjection) . . .

An Hon. Member: — A lot of red tape.

Mr. Engel: — Mr. Minister, keep some order. My voice is going. Keep some order; my voice is . . . (inaudible) . . . Thank you.

Mr. Minister, you told me that 3,000 were deemed to be eligible, and made it look as though that might be, as many were signed out, were the words used first. And then you qualified it by cutting it in half and you're quite sure that 1,500 have some money and got their land and are farming. Great. I'll accept that. But those other 5,500 farmers, Mr. Minister, what do you suppose they're doing? You're a farmer. You can't wait to buy land, sitting in the middle of May, 'deemed to be eligible' — 'signed out.' What are they going to do this year?

You know, I was very upset with you and your department, when you decided last year . . .

An Hon. Member: — They all are.

Mr. Engel: — And a lot of my farmers were, too. And you decided to axe 700 guys — and those are your numbers — you decided to axe 700 guys that were ready to go farming under the land bank program. I know you don't like land bank, but those 700 were approved. They were deemed to be farmers, two years ago already. The second season is on. They are now in this little list here, 'deemed to be eligible.'

What does it mean to a young fellow — and I could give you some names of guys that are in the process of financing — and that's why I know what the credit union rates are. And it is almost an ineffective program you've got here. How many of those that you feel are 'named to be eligible' are going to be farming this spring?

Hon. Mr. Berntson: — I want to talk a moment, Mr. Chairman, about the efficiencies under the previous administration's plan. They had, Mr. Chairman, 10 years, 10 years under their plan to find time for the writing up of, at the very, very peak, about 2,800 leases. And during the course of that 10 years, they found time, somehow, to write up

sales agreements for about 151 of those tenants, and I think that that's not really an excellent record by any stretch of the imagination.

In four months, Mr. Chairman, in four months we have, in capital dollars through Farm Credit, about \$194 million out there and 1,500-plus clients under the farm purchase program that we're writing down to a per cent. My understanding is that there are — what? — 3,000 . . . Yeah, there are 3,000 that are deemed to be eligible, and in all likelihood will be approved. And six weeks turn-around time — I apologize if it's too slow, but I can tell you that six weeks turn-around time — I apologize if it's too slow, but I can tell you that six weeks is not very long compared to the waiting list that you guys had under your program — they were going to wait forever. You talked about 700, or whatever it was, or 7,000 on the waiting list, and the way your program was moving they were going to wait forever, because quite frankly you couldn't find enough money in the corporate coffers to buy up all that land to release it, in any event. We've captured another vehicle to do the capitalizing and we are writing down the interest rate, and it's been very well received. And we make no apology for that, Mr. Speaker.

Mr. Engel: — Now, would you stand up one more time and tell us where those 1,500 are going to be farming, or what they're going to be doing, that are deemed to be eligible? That's the only question I asked. I didn't ask for all that other garbage.

Hon. Mr. Berntson: — About 60 per cent of them, Mr. Speaker, will be farming their dads' farms; it's an intergenerational transfer. It's a mechanism to facilitate intergenerational transfers as, to some extent, land bank was. The difference, of course: we believe in transferring through ownership, as opposed to transferring through tenancy.

Mr. Engel: — Maybe we can clarify that a little bit further. Of the 3,000, how many would you say are first-time farmers, that haven't farmed before, that were new farmers?

Hon. Mr. Berntson: — Yeah, we don't have that statistic now, and I give no commitment that we will have it at year end either. I'll make some effort to provide it for you, but I don't guarantee it.

Mr. Engel: — When these applications are run through the computer and are entered, do you not check out the qualifications of the person applying? Because you have a criteria there: did he make \$35,000 before or not, and did he do this? Are you saying that you don't have a print-out sheet that a staff member could go and ask the computer and out would come the answer 30 seconds later? Are you trying to tell me that?

Hon. Mr. Berntson: — On the application form there's provision for off-farm income. But I'm a farmer; I've been a farmer for some time and I have off-farm income, so just because someone on his application says off-farm income it doesn't necessarily mean he's a first-time farmer. That's the problem we have in coming out with that statistic.

Mr. Engel: — Actually in applying and when Farm Credit Corporation is entering them . . . And this is where I got some numbers when you first introduced the legislation. Farm Credit Corporation would just go and ask . . . sit down at a terminal and out would come the results. They'd have the numbers there. They know who's applying. They know what the criteria of that individual are. They know his background. They know his farming experience or non-farming experience, and they know his source of funding. And are you saying that you can't get the information as to how many of these

3,000 were previous farmers?

Hon. Mr. Berntson: — I'm not saying, Mr. Chairman, that we can't get the information. What I'm saying is: we don't have that statistic now, today. And I did say earlier that if it's available we will get it, but I don't give you any guarantee that we can get it.

Mr. Engel: — Of these 3,000 people, can you also provide me with written information (I don't need that today), can you provide me with information as to numbers in the various farm credit corporation districts? They have their district offices throughout the province. I believe . . . Are there eight districts?

Hon. Mr. Berntson: — We can . . . You're talking about the number of applications and approvals. We'll get that for you.

Mr. Engel: — What I'd really like to know is: I'd like to see what areas of Saskatchewan are going for it, because I know from land bank you could tell which areas were more accessible to it. Just as a matter of getting an overall picture, if you can provide me that information.

Hon. Mr. Berntson: — We can even break it down, I understand, to RMs, if you like. We can break it down to anything you want. I think you'll find that the program is so popular that it's a fairly evenly distributed program right across the province.

Mr. Engel: — If that information will include how many people you've helped to get into a viable operation — that is, a young farmer had three-quarters of land; he went to Farm Credit Corporation to buy two more — and how many were new farmers? That's the only other breakdown I'd like to have on that issue.

Hon. Mr. Berntson: — Okay. I don't know if that statistic is easily available because all of the operations that FCC would lend to would be considered to be viable or they wouldn't lend. I understand your question: if the young fellow has a half section that's deemed to be less than self-sufficient, and his off-farm income is keeping it alive, would this program through his additional purchase make his unit a viable unit? And I understand the question, and we will try to get the information, but I don't know if that statistic is kept.

Mr. Lusney: — Mr. Minister, I have a question on the purchase of land by land bank lessees. How many of the land bank lessees have purchased their land through the farm purchase program to this point?

Hon. Mr. Berntson: — Well, Mr. Chairman, the activity under the farm purchase program is largely privately held land. Crown land, and that includes both what was land bank land and what was held under lands branch land, accounts for between 1.5 and 2 per cent of the total activity under the farm purchase program. If you want more precise information than that, in terms of real numbers, we're going to have to go back and do some digging because it's not readily available.

Mr. Lusney: — Mr. Chairman, Mr. Minister, what you're saying then is that farm purchase program really hasn't assisted the people that had land bank land in purchasing too much of this land to this point, and they may not be able to because of the cost of the land and the base they may have had or may not have had prior to getting land bank land.

In the land that has been sold, the land bank land that has been sold, can you give me an estimate of what the average price was of that land?

Hon. Mr. Berntson: — The average price — approximation — \$350 an acre, of Crown land across the board.

Mr. Lusney: — How do you arrive at the figure or the appraisal of the land that's being sold — the land bank land? Do you make an appraisal? I imagine you make an appraisal of every parcel individually, but what criteria do you use in making that appraisal of the land?

Hon. Mr. Berntson: — Okay, the vast, vast majority of them are done by in-house appraisers based on comparables in the area of land activity.

Mr. Lusney: — Mr. Chairman, Mr. Minister, then the people that are buying that land at this point — the lessees that are buying the land bank land — are paying comparable rates to the private land that's being sold in a given area, so really there's no advantage to them to purchase that land. Well, really, there is no advantage then to purchase the land bank land or to purchase private land, in comparison to private land. So, what you're saying then, is that the method you're using for selling land bank now is totally different than what you have been indicating when you were in opposition — that the land should be sold, not at a huge profit to the government, but should be sold basically a little above what was paid for that land at the time that it was purchased by the government. This is what you have been indicating in the past. Are you considering doing that with any of the parcels and the lessees — selling the land back to the lessees at an amount a little above what they had paid for it?

Hon. Mr. Berntson: — Well, Mr. Speaker, there were some of my colleagues that argued that what you suggest would have been the proper course of action. I've never argued that. I've argued — and I guess it's fair to say that I won this argument — that Crown land sold should be sold either at public tender or to the lessee for fair market value.

What this program does to the Crown land holder, or for the Crown land holder, is it provides him with the opportunity to buy a small section of his holding at a time, as he is financially able to handle the transaction, without destroying his total holding. And obviously, the land bank holder is on a viable unit or he wouldn't have received the lease in the first place under the criteria of the land bank. So I think, in part, that accounts for the small percentage of activity on the Crown side under the farm purchase program, because they will buy a piece at a time as their financial situation allows them to do that, without any risk of destroying the viable unit that they've had from the outset.

Mr. Engel: — Just on that purchase of the Crown lands. Your announced statement, as I read it, indicates that they need 15 per cent down. Are you using that as a criteria to guarantee that kind of a loan, or are you actually going to carry the paper and be involved in a mini-banking system yourself? What kind of program do you see envisioned there?

Hon. Mr. Berntson: — Okay. On the most recent policy, the lands branch policy that was announced recently, with the 15 per cent down and 10 per cent guarantee for 10 years of a 15-year term, it is an agreement for sale — title held by the department until final payment is made. Or title held in the name of the Crown, I should say, until final payment is made.

Mr. Engel: — You are actually telling this House that this free enterpriser is going in competition with the banks and the credit unions of the province, and you're going to be holding and doing the paper yourself. I'm not saying I'm against the program; don't stand up and say that again. I'm not saying I'm against the program; don't stand up and say that again. I'm just asking you if you have a little socialism left in that nice big heart of yours — what is it, a sweetheart, I think are the words you used.

Hon. Mr. Berntson: — Mr. Speaker, we're not in competition with anyone, because obviously before we came here the land wasn't on the market, so there wasn't any money going to be lent. So we're putting the land on the market; we're offering agreements for sale. And again, the program has been very well received. And, you know, if you think that Tories don't have a heart, I guess we've just shot a hole in your theory.

Mr. Engel: — That wasn't part of my theory. Now you're saying that this Crown land is for sale. As you're familiar with Saskatchewan, and particularly with a large portion of my colleague from Shaunavon, my riding — there are tracts of Crown land down there that you would actually call that. There are huge parcels of Crown land. Is it the department's intention of selling off small blocks of land within those large tracts of land . . .

An Hon. Member: — Go back again.

Mr. Engel: — Is it the department's intention of selling off small parcels of land, and start chipping away at or whittling away at those large tracts of land down in the southern parts of our two ridings? Is that some of the land that will be up for sale or are you just moving into a sales program of land that was up for sale under . . . Like the program that we had in place with the previous administration?

Hon. Mr. Berntson: — It's basically all Crown land for sale, except those lands deemed to be environmentally fragile, those lands deemed to be critical to wildlife habitat, and those lands deemed to be in the name of public good best held in the name of the Crown.

Mr. Engel: — Your new administration seems to be real apt at some functions. You maybe call it heart, you maybe call it some things or other. But how long has the province had the responsibility of the large tracts of land, the wilderness area in southern Saskatchewan? When did the province receive the responsibility to administer and look after that portion of Saskatchewan?

Hon. Mr. Berntson: — Okay. The bulk of it was transferred in '30-31, but there has been ongoing acquisitions for one reason or another. I'm sure the member is aware of some of those as well.

Mr. Engel: — When this land was transferred to provincial jurisdiction, did the province accept any responsibility as to how they would administer that Crown land and what they would do with it before we accepted that responsibility?

Hon. Mr. Berntson: — No, just responsible administration. And I don't think anyone would quarrel that what we're doing is indeed responsible administration.

Mr. Engel: — Mr. Chairman, we're touching on a very important topic here. There's a large tract of land that's native to creation. That is one of the few pieces of land left in the

world other than the peaks of some of our mountain tops, that are there exactly like they were created, or originally deposited there or whatever theory you like to believe in. The province took over the administration of that, and it was at a time, unfortunately, very shortly after we inherited some of the worst financial conditions that this province has ever seen, and that was the last time we had a Tory government. But in spite of that, Mr. Minister, I think that land was given to Saskatchewan.

That land was given to Saskatchewan — and on this note I'll close — and we were charged with the responsibility of maintaining for heritage purposes, for wildlife purposes, and just for plain history, the best short-grass area in the world. That land hasn't been touched; it hasn't been cultivated. There are very strict rules in your department that have been administered by an able department that administers the lands branch. And you couldn't even drive on that land, because when they went to seismographic tests in the grasslands area, that's done in the winter-time when there's a snow cover to protect the delicate nature of that piece of land. And if you're saying that in your ambition to sell some Crown land, and with your responsibility to charge up this deficit and pay for it by selling off our heritage, Mr. Minister, you're going to have some answering to do to some people in Saskatchewan that are very concerned.

And let me just read it into the record, because this is the most important aspect, Mr. Chairman, of the entire Agriculture estimates, is the minister's careless, reckless use of that delicate piece of land. The ranchers that are down there controlled it. The Anderson family has had land in their family for over 100 years and they haven't allowed that land to change; they've been good stewards of it. But here you come along and say, 'We're going to sell it off. We're going to sell it to private farmers.'

And with the value of land . . . As you admitted a while ago, in our area cultivated land's worth \$100,000 or \$150,000 a quarter. People are going to buy that stuff up, and they're going to start cultivating it. It's flat, level land in places, and they're going to cultivate and rip up the valleys and put it to grain and try and make money with it and try and develop the best . . . And for a dollar — for a dollar — you'd sell off that heritage. Sure you say it's sensitive. And what kind of rules are in there? I think the minister should reconsider that.

I was on a committee. I was the minister's Legislative Secretary when we opened up and started looking at selling some land. The lands branch has some nuisance quarters and parcels of land — a section, five quarters, three quarters, two quarters; scattered here, there, and all over — that are a little bit of a problem to administer. And so he says, 'Great, sell that off.' I like the program where you've even getting into the banking system to help people buy that; that's good — fantastic. But, Mr. Minister, don't go selling little pieces of land and start chipping away on our heritage that we have down in the south country.

I'm a supporter, a proponent, of the proposals of a grasslands park for only one reason, and that's to protect that sensitive area. I would like to read into the record a story from today's paper:

'Bad news for wildlife.' And the editorial staff could have even made that headline still bigger and said, 'Bad news for people of the world.'

I am writing to express the appreciation of the Saskatchewan Natural History Society for your editorial on the sale of Crown lands. Unfortunately, the lands in question include most of what is left of wildlife habitat in the province, a

resource that has been declining at the rate of 3 per cent per year.

'Saskatchewan Open for Business' may be bad news for wildlife and for nature. The government seems reluctant to impose any restrictions whatever on entrepreneurs, other than to make a ritual commitment that land crucial to wildlife will not be sold. That is rather like trying to determine which cigarette gave you a cancer.

The proposed Grasslands national park is in danger as the province drags its feet lest something worth exploring turns up. We are not certain that we cannot give land to the government to be protected under the Ecological Reserves Act, so great is their horror of entrepreneurial regulation.

Extensive sale of Crown land will be a Devine thunderbolt for nature in this province, and contributions such as your editorial are important at this time. Lance Irving.

Irving is a corresponding secretary, Saskatchewan Natural History Society, from Yorkton. Mr. Speaker, I think you should reconsider your policy on the sale of Crown land and not sell land within a country mile of that beautiful country.

Hon. Mr. Berntson: — Well, Mr. Speaker, I'm very interested in the comments of the member who just sat down, and before I respond directly to his comments I will respond to the writers of the editorial who were obviously misinformed as to the program that we put in place to sell Crown land, number one. And because the editorial writers were misinformed, of course, anyone who read it and believed it would also be misinformed. I would invite the member opposite to show up at the Saskatchewan Stock Growers' convention in Yorkton next month and advance his arguments there. I think they wouldn't be very well received there either.

I'm a little upset that the member opposite would suggest that the ranchers in his constituency, and your words were 'careless and reckless use of the land' . . . Careless and reckless use of the land. I think, I think the vast majority, the vast majority, the vast majority of people . . . (inaudible interjection) . . . No, we're not selling it on public auction. We're selling it, Mr. Chairman, on agreements for sale at 10 per cent, 15 per cent down amortized over 15 years.

And I would also like to point out to the member, Mr. Chairman, that we were in consultation with the Saskatchewan Wildlife Federation. They are in agreement with our policy. We have talked to all of the people who would be concerned with such a policy. We have their support. We have said, Mr. Chairman, that land deemed to be environmentally fragile would not be sold.

We have said, Mr. Chairman, that land critical to wildlife habitat would not be sold and we have said, Mr. Chairman, that land otherwise deemed to be best held in the name of the Crown for the public good would not be sold. I don't know . . . Well, your paranoia borders on terminal and, Mr. Speaker, with that I move we rise, report progress and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 1:06 p.m.